Pat. 15

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, [redacted] 1904.

No. [redacted] 149.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, AND CHARLES D. BARRY, TRADING AS COPARTNERS UNDER THE FIRM NAME AND STYLE OF HENRY W. PEABODY & CO., PLAINTIFFS IN ERROR,

vs.

THE UNITED STATES.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

FILED NOVEMBER 23, 1903.

(19,142.)

(19,142.)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1903.

No. 491

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, AND CHARLES D. BARRY, TRADING AS COPARTNERS UNDER THE FIRM NAME AND STYLE OF HENRY W. PEABODY & CO., PLAINTIFFS IN ERROR,

vs.

THE UNITED STATES.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

INDEX.

	Original.	Print.
Statement	1	1
Writ of error	2	1
Clerk's certificate	5	2
Petition	6	3
Answer	16	8
Demurrer	19	10
Opinion, Adams, D. J.	20	11
Order for judgment	21	12
Judgment	22	13
Petition for writ of error and allowance of writ	23	14
Citation	24	15
Bond for damages and costs	25	16
Assignments of error	27	17

JUDD & DETWEILER, PRINTERS, WASHINGTON, D. C., NOVEMBER 25, 1903.

1 United States District Court, Southern District of New York.

FREDERICK W. LINCOLN ET AL., Trading as Henry W. Peabody & Co., Plaintiff- in Error,
against
THE UNITED STATES, Defendant in Error.

Statement.

1902.
Mc'h 19. Petition filed
May 16. Answer filed
Sep. 16. Demurrer to answer filed
1903.
Nov. 17. Demurrer overruled
" 18. Opinion, Adams, J., overruling demurrer.
" 18. Order for judgment filed
" 18. Judgment entered
" 19. Petition for writ of error filed
" 19. Writ of error allowed.

2 UNITED STATES OF AMERICA, *ss:*

The President of the United States of America to the judges of the district court of the United States for the southern district of New York, Greeting:

Because in the record and proceedings, as also in the rendition of the judgment of a plea which is in the said district court, before you, or some of you between Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, and the United States, a manifest error hath happened, to the great damage of the said Henry W. Peabody and Company, petitioners, as is said and appears by their complaint, we, being willing that such error, if any hath been, should be duly corrected and speedy justice done to the parties aforesaid in this behalf, do command you, if judgment be therein given, that then, under your seal, distinctly and openly, you send the record and proceedings aforesaid, with all things concerning the same, to the justices of the Supreme Court of the United States, at the Capitol, in the city of Washington, together with this writ, so that you have the same at the said place before the justices aforesaid, on or before the 30th day of November, 1903, that, the record and proceedings aforesaid being inspected, the said justices of the Supreme Court may cause further to be done therein to correct that error what of right and according to the law and custom of the United States ought to be done.

Witness the Honorable Melville W. Fuller, Chief Justice of the

Supreme Court of the United States, this 19th day of Novem-
3 ber, in the year of our Lord on- thousand nine hundred and three, and of the Independence of the United States the one hundred and twenty-eighth.

{ Seal District Court of the United States, Southern District New York. }

THOS. ALEXANDER,
Clerk of the District Court of the United States for the Southern District of New York, in the Second Circuit.

The foregoing writ is hereby allowed.

GEO. B. ADAMS,
United States District Judge.

4 [Endorsed:] United States Supreme Court, October term, 1903. Frederic W. Lincoln, and others, trading as copartners under the firm name and style of Henry W. Peabody and Company, plaintiffs in error, against The United States, defendant in error. Writ of error. Henry M. Ward attorney for plaintiffs in error, office and post office address No. 32 Nassau street borough of Manhattan city of New York Copy of the within paper has been this day received at this office Nov. 19 1903 Henry L. Burnett, U. S. attorney. S. Filed Nov'r 19 1903

5 UNITED STATES OF AMERICA, *Southern District of New York,* } ss:

I, Thomas Alexander, clerk of the district court of the United States of America for the southern district of New York, do hereby cetify that the writings annexed to this certificate have been compared by me with their originals on file and remaining of record in my office; that they are correct transcripts therefrom and of the whole of the said originals.

In testimony whereof I have caused the seal of the said court to be hereunto affixed, at the city of New York, in the southern district of New York, this 21st day of November in the year of our Lord one thousand nine hundred and three, and of the Independence of the said United States the one hundred and twenty-eighth.

[Seal District Court of the United States, Southern District of N. Y.]

THOS. ALEXANDER, *Clerk.*

6 In the District Court of the United States for the Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. Bradlee, Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody & Company, Petitioners,
against
THE UNITED STATES, Defendant.
} No. —.

Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody & Company, the petitioners above named, by Henry M. Ward, their attorney, for their petition against The United States, the defendant above named, respectfully show to the court and allege as follows:

First. That at all the times hereinafter mentioned your petitioners were and they now are trading and doing business in the city of New York, State of New York, and the city of Boston, State of Massachusetts, as copartners under the firm name and style of Henry W. Peabody & Company. That your petitioner Frederic W. Lincoln is a citizen of the State of New York, a resident of the city of New York, and an inhabitant of the southern district of New York. That your petitioner Henry W. Peabody is a citizen of the State and inhabitant of the district of Massachusetts. That your petitioner John R. Bradlee and Charles D. Barry are citizens of the State and inhabitants of the district of New Jersey.

Second. That on the 10th day of December, 1898, a treaty of peace between the United States of America and the Kingdom of
7 Spain was concluded and signed by their respective plenipotentiaries at Paris, in the French Republic. Said treaty was ratified by the Senate and by the President of the United States on the 6th day of February, 1899, and by Her Majesty the Queen Regent of Spain on the 19th day of March, 1899, and ratifications thereof were exchanged in the city of Washington, in the District of Columbia, on the 11th day of April, 1899, and on the same day the said treaty was proclaimed by the President of the United States.

Third. That at the date of the ratification of the said treaty, the military and naval forces of the United States had seized, occupied and were in possession of the town and port of Manila, in the island of Luzon. That under and pursuant to the terms of said treaty, the said island of Luzon, being a part of the archipelago known as the Philippine islands, was ceded by Spain to the United States and the rightful possession thereof recognized, and such cession was accepted by the United States. That by said treaty Spain promised and agreed that it would evacuate the territory so ceded by it, which it thereupon proceeded to do. That at all times thereafter said island of Luzon, and particularly the said town and port of Manila

in said island, have remained in the complete possession of the United States without interference by Spain or by any other power, and the United States has, since the date of the ratification of said treaty, exercised full administrative and legislative authority over said town and port of Manila.

Fourth That prior to the date of the signing of the said treaty of peace, the President of the United States made and issued a certain executive order, dated at the executive mansion in the city of Washington, July 12th, 1898, and published by the Secretary of War by order of the President, on the 13th day of July, 1898.

8 The said order provided in substance that upon the occupation and possession of any ports and places in the Philippine islands by the forces of the United States, duties and taxes should be levied and collected upon articles imported into the Philippine islands from other countries, and upon articles exported from the Philippine islands to other countries at the rates and in the manner and subject to the regulations set forth and established by the customs tariff and regulations for the Philippine islands thereunto annexed.

Thereafter, by order of the Secretary of War, dated at the War Department, Washington, October 13th, 1898, and known as "Tariff Circular No. 18," it was ordered that the operation of said order of the President of July 12, 1898, establishing a customs tariff and regulations for ports in the Philippine islands should be suspended until the 10th day of November, 1898, when the same should take effect and be in force, and that until that time the Spanish tariff as theretofore in force should be in force and duties collected thereunder. That in accordance with the last-named order on and after November 10th, 1898, the said tariff and regulations were put in force at the various ports of entry in the Philippine islands, and more particularly at the said port of Manila, in the island of Luzon. That the said customs tariff and regulations so established by the said order of the President, of July 12th, 1898, as modified by certain amendments thereof made by order of the President from time to time, remained in force at all the ports of entry in the Philippine islands, and more particularly at the said port of Manila from on or about the 15th day of November, 1898, until on or about the 15th day of November, 1901. That during all of that period import duties were collected under the alleged authority of said orders and of said tariff by the military authorities of the United States upon articles imported and brought into the

9 several ports of entry in the Philippine islands from the ports in the several States and Territories of the United States, as well as from ports in foreign countries.

Fifth. That said customs tariff and regulations for the Philippine islands provided, among other things, that every vessel on its arrival should be placed under military guard until duly discharged, and that no merchandise should be delivered until after the payment of the proper duties and charges thereon, when an order for the delivery of the merchandise should be issued by the

proper military officer, and that any objection to the assessment of the duties must be filed by the importer before payment by him of the same, and that no refund of duties would be made thereafter, and that no delivery of imported merchandise should be made to the importer unless he had duly paid in cash the duties assessed thereon, and that any goods, wares or merchandise, not duly entered for payment of duty within ninety days after importation should be sold at auction by order of the commanding officer, and that the proceeds of such sale should be retained for ten days subject to the demand of the importer, after deduction of the proper duties on the goods and all expense of storage and sale; and that all seized and confiscated goods should be sold in like manner.

The said tariff set forth the rates of duties on imports in certain schedules annexed thereto, and these petitioners beg leave to refer to the said customs tariff and regulations as established by the said orders of the President and to the amendments thereof, and to make the same a part of this petition as fully to all intents and purposes as if herein set forth at large.

Sixth. That during the said period from November 10th,
10 1898, until November 15th, 1901, certain officers of the United States Army were designated under orders of the President to act, and did act as collectors of customs at the several ports in the Philippine islands, and particularly at the said port of Manila, and enforced the said tariff and regulations and collected duties thereunder at the rates thereby provided upon articles imported and brought into the ports in the Philippine islands, and more particularly the port of Manila from ports in the several States of the United States, at the same rates and in the same manner as upon articles imported from ports in foreign countries.

Seventh. That at all the times herein referred to your petitioners were and they now are engaged in a general commission and mercantile business between the ports of New York in the State of New York, and the said port of Manila, in the island of Luzon, having agents and correspondents in the said port of Manila, and in other ports in other countries and having offices for the transaction of their business in the city of New York, in the State of New York, and in the city of Boston, in the State of Massachusetts, and in the course of such business your petitioners have shipped certain articles, the growth, produce or manufacture of certain of the States of the United States, to their agents and correspondents in the said port of Manila, and during the same period your petitioners have also imported large quantities of articles, the growth or produce of the Philippine islands, into the said port of New York.

Eighth. That in the course of their business as aforesaid, your petitioners, in or about the month of October, 1900, shipped from the said port of New York, in the State of New York, certain articles the manufacture of certain of the States, to-wit certain iron ware and samples by the vessel "Polarstjernen," consigned to your
11 petitioners' agents at the port of Manila. That said vessel made a continuous voyage from the port of New York to the port of

Manila, and arrived at the latter port on or about the 22nd day of November, 1900. That upon the arrival of said vessel at said port of Manila, the military officer of the United States then acting as collector of customs for the port of Manila took the aforesaid merchandise into his custody and placed the same under military guard in the manner established by the said customs regulations, and proceeded to assess and levy duties thereon at the rates set forth in said customs tariff, amounting to two hundred and fifty-three dollars and twelve cents ($253.12), Mexican silver, and thereupon demanded payment of the amount of said duties from your petitioners' agents, and threatened in the event of default in the payment thereof to seize said merchandise with the military forces at his command and to sell the same for the payment of such duties, as provided in said customs regulations. That thereupon your petitioners' agents, in order to obtain possession of the said articles so consigned to them by your petitioners, and in order to be able to carry on your petitioners' business as aforesaid, were obliged to pay and did pay to said military officer acting as such collector, but under duress and by compulsion of such threat, the amount of duties so assessed by him, and upon such payment said articles were by the said collector released and delivered to your petitioners' agents.

Ninth. That on various other occasions between October, 1900, and January, 1901, your petitioners have in like manner shipped and consigned other articles of merchandise, the growth, produce and manufacture of certain of the States of the United States, from said port of New York to their agents in the said port of Manila, upon vessels making continuous voyages from said port of
12 New York to the said port of Manila, and upon the arrival of such vessels at the latter port the said articles of merchandise have been taken into the custody of the military officer acting as collector of customs, and duties have been in like manner assessed thereon and paid by your petitioners' agents, but under duress and by compulsion, in order to enable your petitioners' business to be carried on, as set forth in the preceding paragraph.

And your petitioners file herewith and marked "Exhibit A," a schedule showing such payments of duties exacted from your petitioners as aforesaid at the port of Manila, with the names of the vessels bearing said merchandise, the date of arrival thereof at the port of Manila, the port of shipment, the nature of the articles, the dates of payment, the amount of duties so paid, with the items of duties so paid, amounting to one thousand four hundred and twenty-six dollars and ninety-seven cents ($1,426.97), Mexican silver, equalling seven hundred and thirteen dollars and forty-eight cents ($713.48) in gold coin of the United States.

Tenth. That after collecting the amounts of duties so assessed and levied upon the articles so shipped by your petitioners to Manila as aforesaid, the said military officer acting as collector of customs paid the same over to the United states, and said amounts of money are now in the possession of the United States.

Eleventh. That as your petitioners are advised by counsel, the proper construction of the said order of the President of July 12th 1898, and of the customs tariff and regulations thereby established, as amended from time to time, is that they ceased to apply to all articles imported and brought into the several ports of the Philippine islands, and more particularly the said port of Manila from ports in the several States of the United States, at the
13 moment the United States ceased to be a foreign country with respect to the Philippine islands: that is to say, on or prior to the 11th day of April, 1899, and that all articles so shipped by your petitioners to their agents at the port of Manila, as specified in the annexed schedule, were not subject to any import duties, and were entitled to free entry into the said port of Manila.

Twelfth. That as your petitioners are advised by counsel, the imposition and collection of said duties upon the articles aforesaid, in the manner aforesaid, and in the amounts set forth in the annexed schedule, or in any amount, were in violation of the rights and privileges secured to your petitioners under and by virtue of the provisions of the Constitution and laws of the United States and the said treaty of peace between the United States and Spain. And your petitioners claim that they are entitled to recover said moneys from the United States, and base their claim thereto upon the United States Constitution, the laws of the United States and said treaty with Spain.

Thirteenth. That no part of the moneys so exacted from your petitioners as aforesaid has ever been paid to them, or any of them, by the United States, although payment thereof has been demanded. And by reason *the* the facts aforesaid, the sum of seven hundred and thirteen dollars and forty-eight cents ($713.48) in gold coin of the United States, the equivalent of the amount so exacted from your petitioners and paid to the military officer acting as collector of customs at Manila as aforesaid, is now due to and owing your petitioners from the United States.

14 Wherefore, your petitioners demand judgment against the United States for the sum of seven hundred and thirteen dollars and forty-eight cents ($713.48), gold coin of the United States, with interest thereon from the 22nd day of November, 1900, and the costs of this action.

March 27th, 1902.

HENRY M. WARD,
Attorney for Petitioners, #30 *Broad Street,*
New York City.

15 SOUTHERN DISTRICT OF NEW YORK,
State of New York, County of New York, } *ss:*

Charles D. Barry, being duly sworn, deposes and says that he is one of the petitioners herein. That he has read the foregoing petition and that the same is true to the best of his knowledge, information and belief. The sources of information and grounds of

his belief are an examination of the records in the petitioners' New York office and certified statements furnished to him by the petitioners' agents and correspondents in the port of Manila. No assignment or transfer of said claim, or any part thereof, has been made, and deponent believes that the petitioners are rightfully and justly entitled to the full amount named and stated in the said petition, after allowing all just credits and set-offs, if any.

CHAS. D. BARRY.

Subscribed and sworn to before me this 27th day of March, 1902.

CHAS. A. CONLON,
[NOTARIAL SEAL] *Notary Public, New York County.*

15½ [Endorsed:] U. S. district court, southern district of New York. Frederic W. Lincoln and others, trading as co-partners under the firm name and style of Henry W. Peabody & Company, petitioners, *vs.* The United States. (Copy.) Petition. Henry M. Ward attorney for petitioners, #30 Broad street, New York city. U. S. district court, S. D. of N. Y. Filed Mar. 29. 1902.

16 United States District Court, Southern District of New York.

FREDERICK W. LINCOLN and Others, Trading as Co-partners under the Firm Name and Style of H. W. Peabody & Company, Petitioners,
vs.
THE UNITED STATES.
} Answer to Petiton.

The United States of America, the defendant above named, by Henry L. Burnett, its attorney for the southern district of New York, in answer to the petition herein, respectfully shows to the court:

First. That at the times and dates of the importations of merchandise by the petitioners from the United States into the Philippine islands, mentioned and set forth in the eighth and ninth allegations of said petition respectively, to wit, between October, 1890, and January, 1901, there existed an armed insurrection in said Philippine islands of such magnitude and extent as to require military operations and control by the military forces of the United States for its suppression and having for its object the expulsion of the sovereignty of the United States from said islands, whereby the territory of said islands was rendered hostile, and trade with said hostile territory was unlawful except by the permission of the commander of the belligerent force then conducting military operations in said hostile territory, and under such regulations and conditions as were then imposed and in force by the military authorities of the United States.

Second. And defendant, referring to the third allegation of
17 said petition, avers that while it is true that the town and port of Manila in said islands was in the actual, possession of the United States, at the times therein mentioned, yet said possession was challenged and interfered with by hostile insurrectionary military forces, and was held by the United States only by force of arms and military occupation and government, as a part of a hostile territory, and defendant therefore denies that the same was in the pe-ceable possession of the United States, at the times mentioned in said petition.

Third. That after February 4, 1898, when said hostilities against the United States in said islands were inaugurated, all articles of merchandise, including those of the petitioners, shipped to and entered in any port in the said islands, including Manila, then territory hostile to the United States, were under the laws and usages of war, and the Constitution and laws of the United States and under the orders and regulations of the military commander of the forces of the United States set forth in the fourth allegation of said petition liable to the payment of the several sums of money mentioned and set forth in said petition, as duties, and payable to the military officer of the United States, then acting as collector of customs for the port of Manila, not only under said laws, usages, orders and regulations, but also as a condition imposed upon the privilege of trading with hostile territory.

Fourth. That the customs duties exacted by the military government of the Philippines, at said times mentioned in said petition, were properly enforced by an exercise of the belligerent rights of the United States, arising from the conditions then existing in said islands, then a hostile territory.

18 Fifth. That the right of the President of the United States, through his officers and agents to exact duties upon merchandise imported into the Philippine islands, at the times mentioned in said petition, and to regulate commercial intercourse with said islands, was lawful and justifiable as an exercise of the war powers of the United States in territory affected by an armed insurrection, and in a condition of violent and serious hostility against its sovereignty. That the right to exercise the war powers of the nation does not depend upon the question as to whether or not the territory is foreign, but whether or not the territory is hostile. That the President of the United States was authorized to determine the question as to whether or not the conditions existing at the times of petitioner's importations in the Philippine islands rendered that territory hostile, and his determination thereof was and is binding upon the courts.

Sixth. And the defendant further answering avers that this court has no jurisdiction of the subject matter of this action.

Seventh. And further answering, the defendant avers, that the petition herein does not state facts, sufficient to constitute a cause of action against the United States.

Wherefore this defendant prays judgment that the petition of the petitioner herein be dismissed with costs.

Dated May 26, 1902.

HENRY L. BURNETT,
United States Attorney for the Southern District of New York.

Room 50, P. O. building, New York city.

18½ [Endorsed:] United States district court, southern district of New York. Frederick W. Lincoln *et al. vs.* The United States. Answer to petition. Henry L. Burnett, United States attorney, attorney for defendant. U. S. district court, S. D. of N. Y. Filed May 26, 1902 Henry M. Ward, counsel, 32 Nassau street. New York.

19 United States District Court, Southern District of New York.

FREDERICK W. LINCOLN and Others, Trading as Copartners under the Firm Name and Style of H. W. Peabody & Company, Petitioners,

against

THE UNITED STATES.

The petitioners above named by Henry M. Ward, their attorney, demur to the answer of The United States, the defendant herein:

First. Upon the ground that it is insufficient in law upon the face thereof.

HENRY M. WARD,
Attorney for Petitioners, 32 Nassau Street, Borough of Manhattan, City of New York.

I hereby certify that the foregoing demurrer is in my opinion well founded in point of law.

New York, September 25, 1902.

FREDERICK R. COUDERT, JR.,
Of Counsel for Petitioners.

STATE OF NEW YORK,
County of New York, Southern District of New York, } ss:

Charles D. Barry, being duly sworn deposes and says I am one of the herein named plaintiffs. The foregoing demurrer is not interposed for delay.

CHAS. D. BARRY.

Sworn to before me this 25th day of September, 1902.

[NOTARIAL SEAL.]

CHAS. A. CONLON,
Notary Public, New York Co.

19½ [Endorsed :] United States district court, southern district of New York. Frederick W. Lincoln, and others, trading as copartners under the firm name and style of H. W. Peabody & Company, petitioners, *vs.* The United States. Petitioners' demurrer to answer. Henry M. Ward attorney for petitioners. Office and post office address No. 32 Nassau street borough of Manhattan city of New York U. S. district court S. D. of N. Y. Filed Sept. 6, 1902 11/17 1903 Demurrer overruled G. B. A.

20 In the District Court of the United States for the Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody and Company, Petitioners,

against

THE UNITED STATES.

Opinion of the Court.

This cause coming on to be heard upon the petitioners' demurrer to the answer interposed in behalf of the United States, and due deliberation having been had thereon, the court now finds and concludes that this court has jurisdiction of the subject matter of the claim set forth in the petition and that the petition sets forth facts sufficient to constitute a cause of action against the United States, under the authority of *Dooley v. United States*, 182 U. S. 222, and the court further finds and concludes that the facts set forth in the answer are sufficient in law as a defense to the petitioners' cause of action. The petitioners' demurrer to the answer should therefore be overruled with costs and the petitioners' counsel having stated in open court that they did not dispute the facts pleaded in the answer and elected to stand on their demurrer, the court further concludes that the petition should be dismissed on the merits, with costs, and that the United States should have judgment accordingly.

Dated, November 18, 1903.

GEO. B. ADAMS,
United States District Judge.

20½ [Endorsed :] United States district court, southern district of New York. Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Opinion of the court. Henry L. Burnett, United States attorney, attorney for defendant.

21 In the District Court of the United States for the Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody and Company, Petitioners,

against

THE UNITED STATES.

Order for Judgment.

This cause coming on for a hearing upon the petition filed herein on the 29th day of March, 1902, and the answer of the United States filed herein on the 26th day of May, 1902, and the petitioners' demurrer to the sufficiency of the answer, filed herein on the 25th day of September, 1902, and the court having filed its opinion this day, now, after hearing Henry C. Platt, Esq., of counsel for the United States, in support of the answer, and Paul Fuller, Esq., and Frederic R. Coudert, Jr., Esq., of counsel for the petitioners, in support of the demurrer, it is now, on motion of Henry L. Burnett, Esq., United States attorney,

Ordered, that said demurrer be and it is hereby overruled, with costs, and the petitioners having elected to stand on the demurrer, it is further

Ordered, that the United States have judgment against the petitioners, dismissing the petition on the merits, with costs to be taxed by the clerk.

Dated, November 18, 1903.

(S'd) GEO. B. ADAMS,
United States District Judge.

21½ [Endorsed:] United States district court, southern district of New York. Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Order for judgment. Henry L. Burnett, United States attorney, attorney for defendant. Filed Nov'r 18, 1903

22 United States District Court, Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody and Company, Petitioners,

against

THE UNITED STATES.

Judgment.

This cause having been brought on for argument before the Honorable George B. Adams, district judge, at a stated term of this court, and the petitioners having appeared by Henry M. Ward, Esq., their attorney, and the United States by Henry L. Burnett, Esq., United States attorney, and argument having been had upon petitioners' demurrer to the answer, and the court having made and filed its opinion thereon and therewith its order dated November 18, 1903. overruling said demurrer and dismissing the petition on the merits, and the costs of the United States having been adjusted at the sum of fifteen and 90/100 dollars,

Now, on motion of Henry L. Burnett, Esq., United States attorney, it is

Ordered, adjudged and decreed that the petition be and it is hereby dismissed upon the merits, and that the United States recover of the petitioners the said sum of fifteen and 90/100 dollars costs, and have execution therefor.

Dated, November 18th 1903.

THOS. ALEXANDER,
Clerk of the United States District Court for the Southern District of New York.

22½ [Endorsed:] United States district court, southern district of New York. Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee, and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Judgment. Henry L. Burnett, United States attorney, attorney for defendant. Filed Nov'r 18, 1903 at 2 p. m. & docketted judgment.

23 In the District Court of the United States for the Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, John R. Bradlee, and Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody and Company, Petitioners, *against* THE UNITED STATES.	Petition for Writ of Error.

Now come Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners herein, and conceiving themselves aggrieved by the judgment entered herein on the 18th day of November, 1903, do hereby pray that a writ of error be allowed from the said judgment, returnable to the Supreme Court of the United States, and that a transcript of the record and proceedings and papers upon which said judgment was made, duly authenticated, may be sent to the Supreme Court of the United States, and they present herewith their assignment of errors.

November 19th, 1903.

HENRY M. WARD,
Attorney for Petitioners, 32 Nassau Street, Borough of Manhattan, New York City, New York.

PAUL FULLER, JR.,
F. R. COUDERT,
Counsel.

And now, to wit, on this 19th day of November, 1903, it is ordered that the writ of error be allowed as prayed for.

GEO. B. ADAMS,
United States District Judge.

23½ [Endorsed:] United States district court, southern district of New York. Frederic W. Lincoln, and others, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Petition for writ of error. Henry M. Ward attorney for petitioners, office and post office address No. 32 Nassau street borough of Manhattan city of New York. A copy of the within paper this day received at this office Nov'r 19, 1903. Filed Nov'r 19, 1903.

24 By the Honorable George B. Adams, one of the judges of the district court of the United States for the southern district of New York, in the second circuit, to Henry L. Burnett, Esq., United States attorney for the southern district of New York, attorney for the United States herein, and to the United States, Greeting:

You are hereby cited and admonished to be and appear before the Supreme Court of the United States, at the Capitol, in the city of Washington, in the District of Columbia, on the 30th day of November, 1903, pursuant to a writ of error filed in the clerk's office of the district court of the United States for the southern district of New York, wherein Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody & Company, are plaintiffs in error, and The United States is defendant in error, to show cause, if any there by, why the judgment in said writ of error mentioned should not be corrected and speedy justice should not be done in that behalf.

Given under my hand, at the borough of Manhattan, in the city of New York, in the district and circuit above named, this 19th day of November in the year of our Lord one thousand nine hundred and three and of the Independence of the United States the one hundred and twenty-eighth.

GEO. B. ADAMS,
Judge of the District Court of the United States for the Southern District of New York, in the Second Circuit.

24½ [Endorsed:] United States Supreme Court, October term—1903. Frederic W. Lincoln, and others, trading as copartners under the firm name and style of Henry W. Peabody and Company, plaintiffs in error, against The United States, defendant in error. Citation. Henry M. Ward, attorney for plaintiffs in error, office and post office address No. 32 Nassau street borough of Manhattan city of New York A copy of the within paper this day received at this office Nov'r 19, 1903 Henry L. Burnett U. S. attorney Filed Nov'r 19, 1903

25 In the District Court of the United States for the Southern District of New York.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and Charles D. Barry, Trading as Copartners under the Firm Name and Style of Henry W. Peabody and Company, Petitioners,

against

THE UNITED STATES.

Bond for Damages and Costs.

Know all men by these presents, that we, Lorenzo Semple and F. R. Coudert, Jr., are held and firmly bound unto the above named The United States, in the sum of two hundred and fifty dollars ($250.00), to be paid to the said The United States, for the payment of which well and truly to be made, we bind ourselves, our and each of our heirs, executors and administrators jointly and severally firmly by these presents.

Sealed with our seals and dated the 19th day of November, in the year of our Lord one thousand nine hundred and three.

Whereas, the above named petitioners, Henry W. Peabody and Company, have sued out a writ of error to the Supreme Court of the United States to reverse the judgment rendered in the above entitled suit by the judge of the district court of the United States for the southern district of New York,

Now, therefore, the condition of this obligation is such that if the above named Henry W. Peabody and Company shall prosecute their writ of error to effect, and answer all damages and costs if
26 they fail to make said writ of error good, then this obligation shall be void; otherwise the same shall be and remain in full force and virtue.

LORENZO SEMPLE. [L. S.]
FREDERIC R. COUDERT, JR. [L. S.]

Sealed and delivered and taken and acknowledged before me this 19th day of November, 1903.

[NOTARIAL SEAL.] CHAS. A. CONLON,
Notary Public, New York Co.

UNITED STATES OF AMERICA, }
Southern District of New York, } *ss.:*

Lorenzo Semple and F. R. Coudert, Jr., being duly and severally sworn, do depose and say each for himself that he is worth the sum of five hundred dollars ($500.) over and above all his just debts and liabilities.

LORENZO SEMPLE.
FREDERIC R. COUDERT, JR.

Sworn to before me this 19th day of November, 1903.

[NOTARIAL SEAL.] CHAS. A. CONLON,
Notary Public, New York Co.

The foregoing bond is hereby approved.

GEO. B. ADAMS,
U. S. District Judge.

Dated N. Y. Nov'r 19, 1903.

26½ [Endorsed:] United States district court, southern district of New York. Frederic W. Lincoln, and others, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Bond for damages and costs on writ of error. Henry M. Ward attorney for petitioners, office and post office address No. 32 Nassau street borough of Manhattan city of New York Filed Nov'r 19, 1903.

27 Supreme Court of the United States, October Term, 1903.

FREDERIC W. LINCOLN, HENRY W. PEABODY, JOHN R. Bradlee, and Charles D. Barry, Trading as Copartners under the Firm Name and style of Henry W. Peabody and Company, Plaintiffs in Error,
against
THE UNITED STATES, Defendant in Error.

Assignment of Errors.

Now come Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee, and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody & Company, by their counsel, and respectfully represent that they feel aggrieved by the proceedings and judgment of the district court of the United States for the southern district of New York in the second judicial circuit in the above entitled cause, and assign errors thereto as follows:

1st. The court erred in holding that the imposition and collection of duties in the port of Manila under the order of the President of the United States as set forth in the petition was not in violation of the first section of the first article of the Constitution of the United States which declares that

"All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

2nd. The court erred in holding that the imposition and collection of said duties was not in violation of that portion of the seventh section of the first article of the Constitution, which declares that

"All bills for raising revenue shall originate in the House of Representatives."

28 3rd. The court erred in holding that the imposition and collection of said duties was not in violation of that portion

of the eighth section of the first article of the Constitution which declares that

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States."

4th. The court erred in holding that the imposition and collection of said duties was not in violation of that portion of the eighth section of the first article of the Constitution which declares that Congress shall have power

"To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

5th. The court erred in holding that the imposition and collection of said duties was not in violation of that portion of the ninth section of the first article of the Constitution which declares that

"No tax or duty shall be laid on articles exported from any State."

6th. The court erred in holding that the imposition and collection of said duties was not in violation of that portion of the third section of the fourth article of the Constitution which declares that

"The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

7th. The court erred in holding that the imposition and collection of said duties was not in violation of that portion of the fifth amendment of the Constitution which declares that

"No person * * * shall be deprived of * * * property, without due process of law; nor shall private property be taken for public use, without just compensation."

29 8th. The court erred in holding that the imposition and collection of said duties was not in violation of the treaty of peace made between the United States and the Kingdom of Spain on the 10th day of December, 1898, known as "The treaty of Paris."

9th. The court erred in holding that at the time of the imposition and collection of the duties as stated in the petition the port of Manila was not a part of the United States.

10th. The court erred in holding that the President of the United States under the powers granted to him by the Constitution could lawfully impose and collect from the petitioners the amount of duties set forth in the petition.

11th. The court erred in not holding that the proper construction of the orders of the President under which the duties mentioned in the petition were collected is that they ceased to apply to goods imported from a port of a State into the port of Manila from and after the 1:th day of April, 1899, and in not holding that upon the dates specified in the petition and schedule the petitioners' goods were entitled to free entry.

12th. The court erred in holding that the facts set forth in the

answer are sufficient in law as a defense to the petitioners' cause of action as set forth in the petition.

13th. The court erred in overruling petitioners' demurrer to the answer.

14th. The court erred in dismissing the petition.

15th. The court erred in not entering judgment for the petitioners for the amount claimed in the petition.

Wherefore, the said Frederic W. Lincoln, Henry W. Peabody,
30 John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, plaintiffs in error, pray this honorable court to examine and correct the errors assigned and for a reversal of the judgment of the district court of the United States for the southern district of New York, in the above entitled cause.

HENRY M. WARD,
Attorney for Plaintiffs in Error, 32 Nassau Street, Borough of Manhattan, New York City, New York.

PAUL FULLER,
F. R. COUDERT, JR.,
Counsel.

31 [Endorsed:] United States Supreme Court, October term, 1903. Frederic W. Lincoln and others, trading as copartners under the firm name and style of Henry W. Peabody and Company, plaintiffs in error, against The United States, defendant in error. Assignment of errors. Henry M. Ward, attorney for plaintiffs in error, office and post office address No. 32 Nassau street, borough of Manhattan, city of New York. A copy of the within paper this day received at this office. Nov'r 19, 1903. Henry L. Burnett, U. S. attorney. Filed Nov'r 19, 1903.

32 [Endorsed:] 4-112. U. S. district court, southern district of New York. Frederic W. Lincoln, Henry Peabody, John R. Bradlee, and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody and Company, petitioners, against The United States. Return on writ of error.

Endorsed on cover: File No. 19,142. S. New York D. C. U. S. Term No. 491. Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee, and Charles D. Barry, trading as copartners under the firm name & style of Henry W. Peabody & Co., plaintiffs in error, *vs.* The United States. Filed November 23rd, 1903. File No. 19,142.

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1904.

No. 466.

WARNER, BARNES AND COMPANY, LIMITED, APPELLANT,

vs.

THE UNITED STATES.

APPEAL FROM THE COURT OF CLAIMS.

FILED DECEMBER 17, 1904.

(19,566.)

(19,566.)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1904.

No. 466.

WARNER, BARNES AND COMPANY, LIMITED, APPELLANT,

vs.

THE UNITED STATES.

APPEAL FROM THE COURT OF CLAIMS.

INDEX.

	Original.	Print.
Petition	1	1
Schedule A—Summary of duties paid—Flint, Eddy & Co.	11	7
B—Summary of duties paid—Warner, Barnes & Co.	16	10
General traverse	18	11
Argument and submission	19	11
Findings of fact	20	11
Conclusion of law	27	19
Opinion	27	19
Judgment	32	24
Claimant's motion for additional findings of fact	33	24
Affidavit of Henry M. Ward	34	24
Order overruling motion	38	27
Claimant's application for appeal	39	28
Order allowing appeal	39	28
Clerk's certificate	40	28

JUDD & DETWEILER, PRINTERS, WASHINGTON, D. C., JANUARY 3, 1905.

1 I.—Petition. Filed January 18, 1902.

Import Duties. Philippine Claim No. 1.

In the United States Court of Claims, Term 1901–1902.

WARNER, BARNES & COMPANY, LIMITED, Claimant,
vs.
THE UNITED STATES. } No. 22757.

Warner, Barnes & Company, Limited, by Henry M. Ward, its attorney, for its petition against the United States respectfully shows to the court and alleges as follows:

1. That at all the times hereinafter mentioned from and after September 12th, 1899, the petitioner was and it now is a business corporation, organized and existing under the laws of the Kingdom of Great Britain, and a subject of the King of Great Britain, having an office for the general transaction of its business at No. 25 Broad street, in the borough of Manhattan, city of New York and State of New York, and having another office for the general transaction of its business at the port of Manila, Philippine islands.

2. That the name set forth above in the title of this action
2 is the full and true name and style of the petitioner, and this petitioner is the successor in business of the firm of Warner, Barnes & Co. a copartnership organized in England and existing under the laws of the Kingdom of Great Britain, which said firm was, between the 10th day of December 1898 and the 12th day of September, 1899, composed of Edwin H. Warner, Charles I. Barnes, and William R. Anderson, all British subjects. That said firm was, during said period of time engaged in the same business as was this petitioner thereafter, as herein alleged, and on or about the 12th day of September 1899 said firm of Warner Barnes & Co. dissolved and ceased to do business as a partnership and reorganized pursuant to the laws of Great Britain as a corporation, the petitioner herein, under the corporate name of Warner Barnes & Co., Limited. That thereupon said firm transferred all its outstanding business, accounts and claims of every kind to the said corporation and this petitioner is now authorized under the laws of Great Britain to collect and receive all the claims and demands of said firm which were outstanding on the 12th day of September, 1899 and more particularly the claims and demands hereinafter set forth.

3. That on the 10th day of December, 1898, a treaty of peace between the United States of America and the Kingdom of Spain was concluded and signed by their respective plenipotentiaries at Paris, in the French Republic. Said treaty was ratified by the Senate and by the President of the United States on the 6th day of February, 1899 and by her Majesty the Queen Regent of Spain on the 19th day of March, 1899, and ratifications thereof were exchanged in the city of Washington, in the District of Columbia, on the 11th day of

April, 1899, and on the same day the said treaty was proclaimed by the President of the United States.

4. That at the date of the ratification of said treaty, the military and naval forces of the United States had seized, occupied
3 and were in possession of the town and port of Manila, in the island of Luzon. That under and pursuant to the terms of said treaty, the said island of Luzon, being part of the archipelago known as the Philippine islands, was ceded by Spain to the United States and the rightful possession thereof recognized, and such cession was accepted by the United States. That by said treaty Spain promised and agreed that it would evacuate the territory so ceded by it, which it thereupon proceeded to do. That at all times thereafter said island of Luzon, and particularly the said town and port of Manila in said island, have remained in the complete possession of the United States without interference by Spain or by any other power, and the United States has, since the date of the ratification of said treaty, exercised full administrative and legislative authority over said town and port of Manila.

5. That prior to the date of the signing of the said treaty of peace, the President of the United States made and issued a certain executive order, dated at the executive mansion in the city of Washington, July 12th, 1898, and published by the Secretary of War by order of the President, on the 13th day of July, 1898. The said order provided in substance that upon the occupation and possession of any ports and places in the Philippine islands by the forces of the United States, duties and taxes should be levied and collected upon articles imported into the Philippine islands from other countries, and upon articles exported from the Philippine islands to other countries at the rates and in the manner and subject to the regulations set forth and established by the customs tariff and regulations for the Philippine islands thereunto annexed.

Thereafter, by order of the Secretary of War, dated at the War Department, Washington, October 13th, 1898, and known as "Tariff Circular No. 18," it was ordered that the operation of said order of the President of July 12th, 1898, establishing a customs tariff and regulations for ports in the Philippine islands should be
4 suspended until the 10th day of November, 1898, when the same should take effect and be in force, and that until that time the Spanish tariff as theretofore in force should be in force and duties collected thereunder. That in accordance with the last-named order on and after November 10th, 1898, the said tariff and regulations were put in force at the various ports of entry in the Philippine islands, and more particularly at the said port of Manila, in the island of Luzon. That the said customs tariff and regulations so established by the said order of the President, of July 12th, 1898, as modified by certain amendments thereof made by order of the President from time to time, remained in force at all the ports of entry in the Philippine islands, and more particularly at the said port of Manila from on or about the 10th day of November, 1898, until on or about the 15th day of November, 1901. That

during all of that period import duties were collected under the alleged authority of said orders and of said tariff by the military authorities of the United States upon articles imported and brought into the several ports of entry in the Philippine islands from the ports in the several States and Territories of the United States, as well as from ports in foreign countries.

6. That said customs tariff and regulations for the Philippine islands provided, among other things, that every vessel on its arrival should be placed under military guard until duly discharged, and that no merchandise should be delivered until after the payment of the proper duties and charges thereon, when an order for the delivery of the merchandise should be issued by the proper military officer, and that any objection to the assessment of the duties must be filed by the importer before payment by him of the same, and that no refund of duties would be made thereafter, and that no delivery of imported merchandise should be made to the importer unless he had duly paid in cash the duties assessed thereon, and that any goods, wares or merchandise not duly entered for payment of
5 duty within ninety days after importation should be sold at auction by order of the commanding officer, and that the proceeds of such sale should be retained for ten days subject to the demand of the importer, after deduction of the proper duties on the goods and all expenses of storage and sale; and that all seized and confiscated goods should be sold in like manner.

The said tariff set forth the rates of duties on imports in certain schedules annexed thereto, and this petitioner begs leave to refer to the said customs tariff and regulations as established by the said orders of the President and to the amendments thereof, and to make the same a part of this petition as fully to all intents and purposes as if herein set forth at large.

7. That during the said period from November 10th, 1898, until November 15th, 1901, certain officers of the United States Army were designated under orders of the President to act, and did act as collectors of customs at the several ports in the Philippine islands, and particularly at the said port of Manila, and enforced the said tariff and regulations and collected duties thereunder at the rates thereby provided upon articles imported and brought into the ports in the Philippine islands, and more particularly the port of Manila from ports in the several States of the United States, at the same rates and in the same manner as upon articles imported from ports in foreign countries.

8. That at all the times herein referred to, before the 12th day of September, 1899, the said firm of Warner, Barnes & Co., and thereafter the petitioner, was and the petitioner now is, engaged in the business of a general commission, mercantile and trading house in the port of Manila and other ports in the Philippine islands, having its home office in the city of London, England, and correspondents in the city of New York, State of New York, and in many of the principal ports in other States of the United States, and
6 in other countries, and in the course of such business the

petitioner has imported a great variety of goods of all kinds from the ports in the several States of the United States, and more particularly the ports of New York and San Francisco, as well as from foreign countries, into the said port of Manila, and up to the 12th day of September, 1899, the said firm of Warner, Barnes & Co., and thereafter and prior to the 15th day of November, 1901, the petitioner, in the course of its business as aforesaid, imported from the ports in certain of the States of the United States, and more particularly from said port of New York, in the State of New York, and from said port of San Francisco, in the State of California, into said port of Manila, in the island of Luzon, certain merchandise and articles the growth, produce or manufacture of certain of the several States.

9. That upon the arrival at the said port of Manila, and at the other ports in the Philippine islands, of such articles, the growth, produce or manufacture of the several States, imported by and consigned to said firm of Warner Barnes & Co., and to the petitioner from the said ports of New York and San Francisco, and from other ports in the several States of the United States, the military officer of the United States then acting as collector of customs, and the subordinate military officers acting under his orders, took possession of such articles and placed them under military guard, in the manner provided for in said customs tariff and regulations and proceeded to assess and levy duties thereon at the rates thereby established, and refused to deliver possession of the same to said firm and to the petitioner until after the payment in cash of the duties so assessed and levied, and threatened in the event of the default in the payment of such duties to seize such goods with the military forces at their command and to sell the same for the payment of the duties, in the manner provided for by said customs tariff and regu-
7 lations. And the said firm and the petitioner respectively were thereupon obliged to and did pay, under duress, and in order to obtain possession of their goods, and in order to carry on their business as aforesaid, the duties so assessed, and upon such payment the said goods were released from the custody of the military authorities and delivered to the said firm and to the petitioner.

10. That the items of duties so paid by this petitioner to the military authorities at the port of Manila upon articles imported by this petitioner and consigned to it by Flint, Eddy & Company and Flint Eddy & American Trading Company, both of the port of New York, in the State of New York, between the dates of October 10th, 1899, and October 4th, 1901, amounting to seventy eight thousand five hundred and forty one dollars and seventy three cents ($78,541.73) Mexican silver, are set forth in the schedule hereunto annexed, made a part of this petition and marked "Schedule A."

That the items of duties so paid by said firm of Warner, Barnes & Co., and by this petitioner to the military authorities at the port of Manila upon articles consigned to them respectively by other correspondents at the port of New York aud other ports in the United States, between the dates of December 13th, 1898, and October 25th,

1901, amounting to eighty-three thousand seven hundred and eleven dollars and fifty-six cents ($83,711.56) Mexican silver, are set forth in the schedule hereunto annexed, made a part of this petition and marked "Schedule B."

11. That after collecting the amounts of duties so assessed and levied upon the imports of said firm of Warner, Barnes & Co., and of this petitioner, the said military officers acting as collectors of customs during the period herein referred to, paid the same over to the United States, and said amounts of money are now in the possession of the United States.

8 12. That by the common law of Great Britain, and by the act of 23 and 24 Victoria, July 3, 1860, citizens of the United States of America have since had and now have the right to institute and prosecute suit in the form of a petition of right against the government of Great Britain for the recovery of money due, or other thing wrongfully withheld, and in such proceedings judgments may be recovered as in other cases according to the nature and extent of the relief to which the suitor is entitled at law or in equity.

13. That as the petitioner is advised by counsel, the proper construction of the said order of the President of July 12th, 1898, and of the customs tariff and regulations thereby established, as amended from time to time, is that they ceased to apply to all articles imported and brought into the several ports in the Philippine islands, and more particularly the port of Manila from ports in the several States of the United States, at the moment the United States ceased to be a foreign country with respect to the Philippine islands: that is to say, on December the 10th, 1898, the date when the said treaty of peace was signed. And that all the articles and produce so imported by the petitioner at said port of Manila, as specified in the annexed schedules marked respectively "A," and "B," were not subject to any import duties, and were entitled to free entry into the said port of Manila.

14. That as the petitioner is advised by counsel, the imposition and collection of said duties upon imports, from said firm of Warner, Barnes & Co. and from this petitioner at the port of Manila as aforesaid, in the amounts set forth in the schedules hereto annexed and marked respectively "A," and "B," were in violation of the rights and privileges secured to the petitioner as a subject of the King of Great Britain, under and by virtue of the provisions of the Constitution of the United States and of the treaties between the United States and the Kingdom of Great Britain, and the

9 laws of the United States, and that the collection of such import duties by the military authorities as aforesaid in the amounts specified in said schedules, or in any other amount, is unauthorized, illegal and in violation of the laws and Constitution of the United States and the treaties between the United States and Great Britain, and the petitioner claims that it is entitled to recover said moneys from the United States, and bases it claim thereto upon the United States Constitution and the said treaties and the laws of the United States.

15. That no part of the moneys so paid by the petitioner to the United States as aforesaid has ever been repaid to it by the United States, although payment thereof has been demanded. And by reason of the facts aforesaid the sum of one hundred and sixty-two thousand two hundred and fifty-three dollars and twenty-nine cents ($162,253.29) in Mexican silver so paid by said firm of Warner, Barnes & Co. and by the petitioner to the United States, or its equivalent, is now due to and owing the petitioner from the United States.

Wherefore, the petitioner demands judgment against the United States for a sum of money in United States currency equal to $162,253.29 in Mexican silver, and all proper relief in the premises.

HENRY M. WARD,
Attorney of Record for Claimant,
30 Broad Street, New York City.

10 STATE OF NEW YORK, }
County of New York, } ss:

Alfred De Buys, being duly sworn, deposes and says: I am an officer, to wit, vice president of Flint Eddy & American Trading Company, a Maine corporation, having its office and place of business at No. 25 Broad street, city of New York, State of New York, which corporation is the agent and correspondent in New York of Warner, Barnes & Company, Limited, the petitioner herein. I am familiar with the details of the petitioner's business above referred to. The greater part of said business was carried on in a large part by said Flint Eddy & American Trading Company, and the same was under my supervision. To the best of my knowledge, information and belief all the facts stated in the petition are true. No assignment or transfer of said claim or any part thereof, or interest therein has been made, and I believe the claimant is rightfully and justly entitled to the full amount named and stated in the said petition, after allowing all just credits and set-offs, if any.

The reason why this affidavit is made by me is that none of the directors or officers of the petitioner is at present within the State of New York, or the District of Columbia, and the only one of the directors or officers of the petitioner who is within any of the organized States or Territories of the United States, other than the Philippine islands, is Edwin H. Warner, who is now in the Territory of Arizona under medical treatment.

ALFRED DE BUYS.

Subscribed and sworn to before me this 17th day of January, 1902.

[NOTARIAL SEAL.]

RALPH KIRBY,
Notary Public, Nassau County.

Certificate filed in New York county.

11

SCHEDULE A.

Summary of Duties Paid Flint, Eddy & Co. Import Account.

No. of declaration.	Vessel.	Origin	Date of payment of duties.	Import duties.	Fines & penalties.	Storage.	Total.
			1899.				
7	Afghanistan.	U.S.A.	Oct. 10th	$172.32	.....	.....	$172.32
69	Yuensang...	do.	Nov. 24th	535.54	.....	.....	535.54
				$707.86	.....	.....	$707.86
			1900.				
1	Saint Bede..	do.	Feb. 9th	429.10	.....	.....	429.10
11	Afghanistan.	do.	do. 9th	8.70	$1.45	.....	10.15
30	Diamante...	do.	do. 9th	20.20	.....	.....	20.20
2	Loostaaken..	do.	do. 21st	97.13	.....	.....	97.13
3039	Diamante...	do.	May 18th	559.87	.....	.....	559.87
3219	Ardandearg.	do.	do. 19th	805.60	.....	.....	805.60
3215	do.	do.	do. 29th	271.59	.....	$3.32	274.91
2865, 2868, 2870	Armenia....	do.	do. 19th	1804.75	.....	.....	1804.75
3376	Palitana....	do.	do. 31st	803.92	.....	.....	803.92
3709	Menmuir....	do.	June 1st	3.02	.....	.....	3.02
4977	do.	do.	do. 13th	38.93	.....	.....	38.93
5108	Albenga ...	do.	do. 18th	391.33	.....	.....	391.33
5109	do.	do.	do. 22nd	1293.44	64.67	.....	1358.11
5370, 5371	Diamante...	do.	do. 29th	147.90	7.40	.....	155.30
6416	Menmuir....	do.	July 5th	42.34	6.16	.....	48.50
5570	Kurdistan...	do.	do. 5th	241.97	.....	.....	241.97
6074	Indravelli ..	do.	do. 17th	1767.71	.....	.....	1767.71
6484	R. Castle....	do.	Aug. 2nd	176.90	.....	4.25	181.15
6486	do.	do.	do. 9th	1206.03	.....	60.00	1266.03
B.219, B.220	Brand.....	do.	do. 23rd	4670.18	.....	.....	4670.18
B1616a	Saint Bede..	do.	Sept. 17th	4288.46	.....	.....	4288.46
B1615	do.	do.	do. 17th	149.39	.....	.....	149.49
B1632	do.	do.	do. 20th	752.03	.....	.....	752.03
B1624	do.	do.	do. 20th	240.26	.....	.....	240.26
B1625	do.	do.	do. 24th	65.49	.....	.....	65.49
2	Carried forward..		.....	$20276.24	$79.68	$67.57	$20423.49
	Brought forward...		.....	$20276.24	$79.68	$67.57	$20423.49
-1633	Saint Bede..	U. S. A.	Sept. 24	745.45	.....	.....	745.45
-1627	do.	do.	do. 25	88.43	.....	.....	88.43
-1629	do.	do.	do. 26	361.65	18.08	.....	379.73
-1634	do.	do.	do. 25	458.94	.....	.....	458.94
-1630	do.	do.	do. 28	177.27	.....	.....	177.27
-1628	do.	do.	do. 28	28.62	.....	.....	28.62
-1636	do.	do.	Oct. 3	40.51	.....	3.93	44.44
-1623	do.	do.	do. 3	31.31	.....	1.25	32.56
-1618/22, -1626, -1635	do.	do.	do. 4	339.44	.....	.....	339.44
-1631	do.	do.	do. 5	3791.54	.....	22.29	3813.83
-1614, -1616 B	do.	do.	do. 10	1769.72	.....	64.42	1834.14
2436	Yuensang ..	do.	do. 6	180.00	.....	2.21	182.21
4567	Glenturret..	do.	do. 23	4288.45	.....	.....	4288.45
4568	do.	do.	do. 23	637.34	.....	.....	637.34
4566	do.	do.	do. 24	2520.32	.....	.....	2520.32

SCHEDULE A—Continued.

No. of declaration.	Vessel.	Origin.	Date of payment of duties.	Import duties.	Fines & penalties.	Storage.	Total.
B-4560	Glenturret..	U.S.A.	Nov. 1	114.44	35.64	.....	150.08
B-4577	do.	do.	do. 1	44.35	.....	.....	44.35
B-4578	do.	do.	do. 1	6.72	.....	.....	6.72
B-4558	do.	do.	do. 1	164.16	.....	.....	164.16
B-4559	do.	do.	do. 1	505.68	.....	.....	505.68
B-4557	do.	do.	do. 1	40.04	.....	.....	40.04
B-4555	do.	do.	do. 1	433.88	.....	.....	433.88
B-4576	do.	do.	do. 1	536.65	.....	.....	536.65
B-4569	do.	do.	do. 1	95.00	.....	.....	95.00
B-4556	do.	do.	do. 3	1692.63	.....	.....	1692.63
B-4579	do.	do.	do. 8	294.60	131.25	.....	425.85
B-4575	do.	do.	do. 8	250.59	.....	.....	250.59
B-4554	do.	do.	do. 14	339.10	.....	.....	339.10
B-4573	do.	do.	do. 16	226.08	5.20	.....	231.28
13	Carried for ward...		.....	$40479.15	$269.85	$161.67	$40910.67
	Brought for ward...		.....	$40479.15	$269.85	$161.67	$40910.67
B-5825/6/8			1900.				
B-5804/6							
B-5788	Glenartney..	U. S. A.	Nov. 23	244.97	.....	.....	244 97
B-5793/5							
B-5784							
B-5792	do.	do.	do. 14	332.18	.....	.....	332.18
B-5809							
B-5802	do.	do.	do. 13	98.36	.....	.....	98.36
B-5827	do.	do.	do. 13	67.23	.....	.....	67.23
B-5822	do.	do.	do. 12	346.56	.....	.....	346.56
B-5817	do.	do.	do. 12	524.45	.....	.....	524.45
B-5810	do.	do.	do. 3	2144.33	.....	.....	2144.33
B-5803	do.	do.	do. 3	510.21	.....	.....	510.21
B-1013	Rokeby.....	do.	Nov. 17	231.45	136.99	.....	368.44
B-7897	Diamante....	do.	Dec. 4	389.40	.....	.....	389.40
B-8031	Perla	do.	do. 4	7.80	.....	.....	7.80
B-9568	Folmina....	do.	do. 29	282.61	.....	.....	282.61
B-9539	do.	do.	do. 29	351.62	.....	.....	351.62
B-9538	do.	do.	do. 29	667.19	.....	.....	667.19
B-9575	do.	do.	do. 29	168.84	.....	.....	168.84
B-9540	do.	do.	do. 29	235.62	.....	.....	235.62
			1901.				
B-9565	do.	do.	Jan. 7	471.15	.....	.....	471.15
B-9567	do.	do.	do. 9	406.57	.....	.....	406.57
B-9573	do.	do.	do. 9	220.62	.....	.....	220.62
B-9537	do.	do.	do. 9	1752.41	.....	.....	1752.41
B-9562	do.	do.	do. 11	208.10	.....	.....	208.10
C-350	Gymerle....	do.	do. 28	13.08	.....	.....	13.08
C-355	do.	do.	do. 28	797.24	.....	.....	797.24
C-342	do.	do.	do. 28	288.97	.....	.....	288.97
C-343							
C-344	do.	do.	do. 28	2195.64	.....	.....	2195.64
C-345-356							
C-346							
C-348	do.	do.	do. 28	24.33	.....	.....	24.33
C-1957							
C-1958	R. Castle....	do.	Feb. 13	165.92	.....	.....	165.92
C-1948							
C-1954							
C-1951	do.	do.	do. 13	237.42	.....	.....	237.42
	Carried for ward...		.....	$53863.42	$406.84	$161.67	$54431.93

SCHEDULE A—Continued.

No. of declaration.	Vessel.	Origin.	Date of payment of duties.	Import duties.	Fines & penalties.	Storage.	Total.
14	Brought forward	.....	.....	$53863.42	$406.84	$161.67	$54431.93
			1901.				
C-1951	R. Castle ...	U. S. A.	Feb. 13	237.42	.....	.....	237.42
C-1962	do.	do.	do. 13	395.56	.....	.....	395.56
C-1960	do.	do.	do. 15	519.63	.....	.....	519.63
C-1959	do.	do.	March 8	7.56	.....	.19	7.75
C-1963							
C-4160	Glenesk	do.	do. 21	2679.62	.....	.....	2679.62
C-4155*	do.	do.	April 1	135.77	.....	.....	135.77
C-4149	do.	do.	do. 1	174.97	.....	.....	174.97
*							
C-4157	do.	do.	do. 10	69.29	.....	.....	69.29
C-6970	L. Castle ...	do.	do. 26	187.13	.....	.....	187.13
C-6968							
C-6972	do.	do.	May 2	1804.78	.....	.....	1804.78
C-7902							
C-7907	Glengarry ..	do.	do. 8	568.98	.....	.....	568.98
C-7901							
C-7908	do.	do.	do. 8	51.51	.....	.....	51.51
C-7905	do.	do.	do. 8	226.38	.....	.....	226.38
D-161	Coulsdon ...	do.	do. 27	608.86	.....	.....	608.86
D-28	Perla	do.	June 8	2138.88	.....	.....	2138.88
D-155	Coulsdon ...	do.	do. 11	11.22	.....	.....	11.22
D-157	do.	do.	do. 11	57.14	.....	.....	57.14
D-154	do.	do.	do. 11	1744.82	.....	.....	1744.82
C-9230	Esmeralda..	do.	May 24	6045.36	302.27	.....	6347.63
D-2892							
D-2893	Puritan.....	do.	July 18	1574.60	.....	.....	1574.60
D-2894							
D-2893-a	do.	do.	do. 18	214.22	.....	.....	214.22
D-2891	do.	do.	do. 18	27.42	.....	.....	27.42
D-3789-2	Aragonia....	do.	Aug. 14	509.58	.....	.....	509.58
D-3790							
D-3791	do.	do.	do. 17	271.41	57.35	.....	328.76
D-7909	Algoa	do.	Sept. 25	468.29	.....	1.94	470.23
D-6157	Longships..	do.	do. 17	601.26	.....	.....	601.26
D-6160	do.	do.	do. 17	42.87	.....	.....	42.87
D-6159	do.	do.	do. 17	71.27	.....	.....	71.27
D-6163							
D-6164							
D-6165	do.	do.	do. 17	115.85	.....	.....	115.85
D-6166							
D-6167							
	Carried forward	.....	.....	$75425.07	$766.46	$163.80	$76355.33
15	Brought forward	.....	.....	$75425.07	$766.46	$163.80	$76355.33
			1901.				
D-6156	Longships...	U.S.A.	Sept. 17	460.72	.....	.....	460.72
D-8278	Perla.....	do.	Oct. 4	279.22	.....	.05	279.27
D-9360							
D-9361							
D-9362	Claverdale..	do.	do. 9	426.97	.....	3.23	430.20
D-9364							
D-9365							
C-4156	do.	do.	do. 9	174.65	.....	3.36	178.01
	Glenesk	do.	April 4	130.34	.....	.....	130.34
	Duties 1899.	.....	.....	707.86	.....	.....	707.86
				$77604.83	$766.46	$170.44	$78541.73

*C-4156 omitted. See page 6, last item.

16

SCHEDULE B.

Summary of Duties Paid Warner, Barnes & Co., Ltd., Import %.

No. of dec.	Vessel.	Origin.	Date of payment.	Import duty.	Fines and penalties.	Storage.	Total.
33	Esmeralda	U.S.A.	Dec. 13, 1898	738.76			738.76
8	Tailee	do.	do. 22, "	3693.80			3693.80
49	do.	do.	Jan. 11, 1899	1.48			1.48
14	Yuensang	do.	Mar. 1, "	5171.32			5171.32
52	do.	do.	do. 4, "	1.77	0.31		2.08
16	Tailee	do.	do. 7, "	6074.08			6074.08
27	Esmeralda	do.	do. 8, "	456.56			456.56
13	do.	do.	do. 23, "	101.20			101.20
24	do.	do.	Apr. 7, "	3690.11			3690.11
42	do.	do.	May 9, "	445.85			445.85
93	Diamante	do.	June 13, "	424.58			424.58
12	Esmeralda	do.	Aug. 17, "	2259.16			2259.16
13	do.	do.	do. 17, "	754.67			754.67
19	Diamante	do.	Sep. 15, "	3013.54			3013.54
18	do.	do.	do. 15, "	751.41			751.41
14	Esmeralda	do.	do. 29, "	515.44			515.44
41	Yuensang	do.	Oct. 5, "	24.82			24.82
31	Nanyang	do.	Nov. 3, "	1502.22			1502.22
2	Afridi	do.	Dec. 5, "	650.81			650.81
5	Nanchang	do.	do. 9, "	758.81			758.81
6	Diamante	do.	Feb. 22, 1900	6004.66			6004.66
52	do.	do.	Mar. 13, "	1502.84			1502.84
3619	Menmuir	do.	do. 25, "	2911.07			2911.07
	Carried for ward						
17							
	Brought for ward						
5564	Kurdistan	U.S.A.	July 5, 1900	643.66			643.66
5188	Diamante	do.	do. 5, "	7.56			7.56
B1023	Menuir	do.	Aug. 28, "	2252.36			2252.36
B3761	Yuensang	do.	Oct. 1, "	2265.89			2265.89
B6270	Menmuir	do.	Nov. 6, "	2248.30			2248.30
B6782	Loonsang	do.	do. 15, "	1498.87			1498.87
B9281	Perla	do.	Dec. 11, "	1498.87			1498.87
B9621	Esmeralda	do.	do. 18, "	749.43			749.43
B10480	do.	do.	Jan. 3, 1901	1498.87			1498.87
C457	Sungkiang	do.	do. 16, "	1498.87			1498.87
C1348	Yuengsang	do.	do. 19, "	749.43			749.43
C1815	Perla	do.	do. 30, "	2991.71			2991.71
C3112	do.	do.	Feb. 14, "	1124.13			1124.13
C5068	do.	do.	Mar. 23, "	2248.30			2248.30
C5941	Esmeralda	do.	Apr. 9, "	2997.73			2997.73
C8876	Pitcairn	do.	May 9, "	6746.90			6746.90
D4864	Loonsang	do.	July 31, "	374.70			374.70
D5798	Perla	do.	Aug. 17, "	374.70			374.70
D7910	Algoa	do.	" 10, "	8993.14			8993.14
E284	Esmeralda	do.	Oct. 25, "	1498.87			1498.87
							$83711.56

18 II.—General Traverse. Filed April 12, 1904.

And now comes the Attorney General, on behalf of the United States, and answering the petition of the claimants herein, denies each and every allegation therein contained; and asks judgment that the petition be dismissed.

L. A. PRADT,
Assistant Attorney General.
W.

19 III.—Argument and Submission.

This cause was argued on April 13 and 14, 1904, and submitted.

20 IV.—Findings of Fact and Conclusions of Law. Filed May 5, 1904.

This case having been heard by the Court of Claims, the court, upon the evidence, makes the following

Findings of Fact.

I.

The claimant above named, Warner, Barnes & Company (Limited), is a business corporation organized on September 12, 1899, under the laws of the Kingdom of Great Britain and now existing thereunder, and a subject of the King of Great Britain, and at the time of the filing of the petition herein had an office for the general transaction of its business in the borough of Manhattan, city of New York and State of New York, and another office for the general transaction of its business then and at all the times hereinafter mentioned at the port of Manila, Philippine islands.

II.

The claimant is the successor in business of the firm of Warner, Barnes & Co., a copartnership organized in England under the laws of the Kingdom of Great Britain, which said firm was, between the 10th day of December, 1898, and the 12th day of September, 1899, composed of Edwin H. Warner, Charles I. Barnes, and William R. Anderson, all British subjects. On or about said 12th day of September, 1899, the said firm dissolved and ceased to do business as a partnership and reorganized under the laws of Great Britain as a business corporation, the claimant herein, and thereupon all the outstanding business, accounts, and claims of all kinds belonging to said firm were transferred by operation of law under the laws of Great Britain to the claimant, and the claimant is now, under such laws, authorized to collect and receive all the claims and demands of said firm which were outstanding on the 12th day of September, 1899, and more particularly the claims and demands for duties paid

prior to September 12, 1899, embraced in the schedule annexed to the petition.

21 III.

The business in which said firm prior to September 12, 1899, and the claimant thereafter, were engaged is that of a general commission, mercantile, and trading house in the port of Manila and other ports in the Philippine islands. In the course of such business the said firm and the claimant imported a great variety of goods of all kinds from the ports in the several States of the United States, and more particularly the ports of New York and San Francisco, as well as from foreign countries, into the said port of Manila; and in the course of such business the said firm and the claimant imported on various dates between the 11th day of April, 1899, and the 10th day of November, 1901, a large quantity of merchandise and articles the growth, produce, or manufacture of the several States of the Union.

IV.

On the 10th day of December, 1898, a treaty of peace between the United States of Ameriea and the Kingdom of Spain was concluded and signed by their respective plenipotentiaries at Paris, in the French Republic. Said treaty was ratified by the Senate and by the President of the United States on the 6th day of February, 1899, and by Her Majesty the Queen Regent of Spain on the 19th day of March, 1899, and ratifications thereof were exchanged in the city of Washington, in the District of Columbia, on the 11th day of April, 1899, and on the same day the said treaty was proclaimed by the President of the United States.

V.

During the existence of the war with Spain the President of the United States issued the following order:

"EXECUTIVE MANSION, July 12, 1898.

"By virtue of the authority vested in me as Commander in Chief of the Army and Navy of the United States of America, I do hereby order and direct that upon the occupation and possession of any ports and places in the Philippine islands by the forces of the United States, the following tariff of duties and taxes, to be levied and collected as a military contribution, and regulations for the administration thereof, shall take effect and be in force in the ports and places so occupied. Questions arising under the said tariff and regulations shall be decided by the general in command of the United States forces in those islands. Necessary and authorized expenses for the administration of said tariff and regulations shall be paid from the collections thereunder. Accurate accounts of collections and expenditures shall be kept and rendered to the Secretary of War.

"WILLIAM McKINLEY."

This order war published by the Secretary of War on the 13th day of July, 1898. By order of the Secretary of War, dated October 13, 1898, known as tariff circular No. 18, it was ordered that the operation of said order of the President of July 12, 1898, should be suspended until the 10th day of November, 1898, when the same should take effect and be in force, and that until that time
22 the Spanish tariff which was theretofore in force should be enforced and collected thereunder. On or about the 15th day of November, 1898, the said order of July 12, 1898, was again put in force, pursuant to the order of the President, and continued thereafter in force, except as modified by certain amendments thereof made by order of the President from time to time, at all ports of entry in the Philippine islands until March 8, 1902, and during the continuance of the Philippine insurrection. This order was so promulgated and enforced by the President of the United States, by virtue of his authority as Commander in Chief of the Army and Navy of the United States during the continuance of the Philippine insurrection, as a war measure made necessary by the state of war existing in said islands as a result of said insurrection; and the consequent duties upon exports from and imports into the various ports of the Philippine islands, including the ports of Manila and Iloilo, were exacted and collected as a condition of the privilege of such exportations and importations and as military contributions to the support and maintenance of the military government then organized and enforced in said islands. The revenues thus derived went into the military chest or treasury of said military government in the Philippine islands, and were applied by said military government toward paying the expenses of said government in prosecuting the war against the insurgents and in maintaining and carrying on said government. None of the revenues so collected, including the duties herein claimed for, were ever paid into the Treasury of the United States or subject to the jurisdiction of any official of the Treasury Department of the United States.

VI.

The duties which are the subject of this claim were not levied nor collected pursuant to the general statutes of the United States relating to the customs administration, nor by virtue of the authority of any general tariff law of the United States, nor in the exercise of the civil powers of government of the United States, but were collected solely as a military contribution, exacted by the military government of the Philippine islands, and as a condition attached to the privilege of importing the goods upon which said duties were levied and collected into the Philippine islands, all by virtue of and pursuant to the executive order of July 12, 1898, above set forth, and the amendments thereto, and during the time when the cities of Manila and Iloilo, at which said duties were levied and collected, were in the military occupancy of the forces of the United States, as an incident to the war then existing in the Philippine islands.

VII.

The firm of Warner, Barnes & Co., between December 10, 1898, and September 12, 1899, and the claimant between September 12, 1899, and November 15, 1901, in the ordinary course of their business, brought certain articles of merchandise, the growth, produce, or manufacture of the several States, into the port of Manila from the ports of San Francisco, in the State of California, and of New York, in the State of New York.

23 VIII.

Upon the arrival of vessels at the port of Manila containing such articles of merchandise the military officer of the United States, then acting as collector of customs at that port, placed said vessels under military guard until they should be duly discharged, and no delivery of imported merchandise from such vessels was permitted to be made in said port of Manila to the importer until the duties assessed thereon had been duly paid. The said collector, upon the arrival of vessels containing such imported merchandise, preliminary to the assessment and payment of customs duties thereon, required the importer to enter said merchandise for payment of duty at the custom house within ninety days after importation. In this case it appears these regulations were conformed to.

IX.

The amount of duties so assessed and levied upon such articles of merchandise and so collected by the military collectors from the firm of Warner, Barnes & Co. between December 10, 1898, and April 11, 1899, is the sum of $9,964.69.

X.

The amount of duties so assessed and levied upon such articles of merchandise and so collected by the military collectors from the firm of Warner, Barnes & Co. and the claimant between April 11, 1899, and November 15, 1901, is the sum of $71,161.95.

XI.

Prior to the commencement on April 21, 1898, of the war between the United States and Spain, the long-continued disaffection of the native inhabitants of the Philippine islands against the Spanish rule had resulted in a revolution against the Spanish government in the island of Luzon, beginning in August, 1896. A condition of warfare resulted between the insurgents and the forces of the Spanish government, in which many thousand soldiers of the regular army of Spain were employed.

In May, 1897, the revolutionists proclaimed and endeavored to establish a Philippine republic, with Emilio Aguinaldo as president. In December, 1897, a treaty of peace was entered into between the

Spanish authorities in the Philippine islands and Aguinaldo, representing the insurgents in his capacity as such president, pursuant to which Aguinaldo and other leaders of the insurgents left the islands, and were in Hongkong, China, at the time that the crisis in the relations between the United States and Spain at the opening of the year 1898 was approaching. In February, 1898, hostilities had been renewed by the insurgents in the Philippines, who alleged that the provisions of the treaty of 1897 had been violated by the Spanish authorities, and a state of warfare then existed in the vicinity of Manila, with the rebel army a few miles from the city.

This state of affairs prevailed at the time of the declaration of war between the United States and Spain, and continued thereafter with increasing vigor up to and beyond the time of the suspension of hostilities which preceded the treaty of peace of Paris. Meanwhile Aguinaldo had returned to the Philippine islands and re-
24 sumed his leadership of the insurrectionary movement. In furtherance of this movement, a political organization was formulated for the administration of the affairs of civil government, and on June 18, 1898, Aguinaldo issued a proclamation establishing a dictatorial government. The government thus formed extended its operations throughout the archipelago, but more especially the islands of Luzon and Panay, and proceeded to displace the Spanish civil officials and usurp their official places and power. It induced and compelled general recognition of its authority and jurisdiction by the inhabitants of the territory outside of Manila, gathered together and organized large and formidable armies of insurgents, captured or expelled Spanish garrisons at various places throughout the islands, seized their arms and military equipment, and occupied their military works and defenses.

In September or October, 1898, the dictatorial government proclaimed and established by Aguinaldo assumed political form for emancipation from Spanish rule, and the feeling among the Filipinos was intense and general in its favor. The insurrectionary government thus formed made repeated demands for recognition on various officers of the United States forces then in the Philippine islands, which demands were refused.

At the time of the signing of the protocol at Washington, on August 12, 1898, an insurgent army, under command of Aguinaldo, closely invested the city of Manila, and at the time of the surrender of that city asked to be allowed to hold possession of the same from that time until the ratification of the treaty of Paris. This request was denied. In consequence of this denial and of the refusal of the officers of the United States to recognize the insurgent government and its alleged authority, there was much friction between the insurgent forces and the forces of the United States, and very pronounced unwillingness to submit to the authority of the United States was manifested by the insurgents.

This feeling on the part of the insurgents gradually grew into a strong sentiment of distrust of and animosity toward the United States Government, based upon the apprehension that the United

States Government would not, after the treaty of peace with Spain was ratified, recognize nor permit the independence of the Filipinos, and as a result the whole force of the movement which had been directed against Spain for the purpose of obtaining the independence of the Filipinos began to assume the same relations toward the United States Government for the same purpose.

This situation culminated in a declaration of war against the United States by Aguinaldo in behalf of the Filipino republic on February 4, 1899, and on the same day a battle took place between the army of the insurgents and the United States forces in Manila, resulting from an attack made by the insurgent forces, which attack had for its purpose the conquering and expulsion of the military forces and sovereignty of the United States from Manila and also from the Philippine islands. This attack was renewed by the insurgents on February 6, 1899, and again on February 10, 1899, with the same purpose in view. On February 22, 1899, a concerted uprising of the adherents of the insurrection in Manila was attempted, under instructions from officers of the Filipino government, to massacre all the Americans and Europeans in that city. At the time of this commencement of hostilities between the forces of the insurgents and the United States forces, the army of the insurgents about and within the neighborhood of Manila numbered between 25,000 and 30,000, and was quite efficiently organized after the Spanish fashion, and the total forces of the insurgents at the time throughout Luzon were between 50,000 and 60,000. These forces the insurgents were in position to keep recruited to full strength on very short notice and without limit. The result of the hostilities thus commenced was a state of warfare throughout the Philippine islands, and especially in the island of Luzon and the island of Panay, which called into action in said islands the troops of the United States to the total number of 126,468 between February 4, 1899, and July 4, 1902. The number of troops engaged in military operations against the forces of the insurgents during that time and at different periods was as follows: In 1898, 22,073; in 1899, 29,722; in 1900, 69,420; in 1901, 67,393; in January, 1902, 36,944. The number of engagements between the respective forces during the continuance of said insurrection and consequent warfare was in 1899, 538; in 1900, 1,150; in 1901, 656; a total of 2,744. This warfare was carried on on the part of the insurgents through operations of various armies until November, 1899, when the plan was changed to a guerrilla warfare, and so continued until its close. This guerrilla warfare required more troops on the part of the United States from 1900 on than prior to that time, and necessitated the occupancy of a large number of garrisoned posts or stations throughout the Philippine islands by the United States forces, reaching the number of between 500 and 600. The number of deaths among the United States troops in the Philippine islands during this period from all causes was 4,374, and the number wounded in action was 3,022.

At the time of the armed insurrection above set forth, and the resulting warfare in the Philippine islands, there was a very general

sympathy on the part of the masses of the Filipinos, especially in the islands of Luzon and Panay, in favor of the insurrection and in support of the insurgent government, and at the time the Filipino government had sway throughout Luzon, throughout the Visayan islands, except Negros, and in northern Mindanao, and after February 4, 1899, the whole force of the movement which had been directed against Spain was directed against the United States. This sentiment of sympathy with and support of the insurrectionary movement was very strong in Manila, which was the center of activity upon the part of the insurgent leaders in the way of encouraging and aiding the insurrection. One form of aid of the insurrectionary movement and government was a contraband trade between merchants and traders in Manila, and the insurgents outside, in the course of which contributions were levied upon such trade by the officers of the insurgent government and paid by the agents of such traders. The general diffusion of this insurrectionary movement and of the sympathy of the Filipino people with the same, and their support thereof, continued practically undiminished and unaffected, even after the United States forces had taken possession of over 500 posts or stations throughout the islands. The result of this insurrectionary movement and the armed hostilities against the United States in the Philippine islands growing out of the same, as above described, was a state of war throughout the Philippine islands, which continued until July 4, 1902, when the same was officially declared to be at an end. During this time said islands were hostile territory.

26

XII.

The city of Manila was captured by the forces of the United States on August 13, 1898, and thereafter was held in military occupancy by the United States forces as an incident of the war with Spain until the treaty of peace at Paris concluded that war, and from that time as an incident of the insurrectionary war in the Philippine islands against the United States until the conclusion of the same. During the whole of the period of said insurrectionary war Manila was the base of the military operations of the United States troops in the island of Luzon and of supply for the maintenance of the military forces of the United States in the Philippine islands.

On February 11, 1899, as the result of a hostile engagement with an armed force of insurgents in the possession of the city of Iloilo, in the island of Panay, that city was captured by the military forces of the United States, and was thereafter, and until July 4, 1902, held in military occupancy by the forces of the United States as an incident of the insurrectionary warfare prevailing throughout the Philippine islands against the Government of the United States, and was the base of the military operations of the United States troops in said island of Panay, and of supply for said forces.

On the military occupancy of the city of Manila being established, an organization for the administration of the affairs of civil

government by military authority for the city of Manila and the Philippine islands was created and established. The jurisdiction of this military government was extended as rapidly as the success of the American forces and the exigencies of the military situation permitted. This military government was extended to and established in the city of Iloilo as soon as it was taken possession of by the United States forces. These military governments continued in force until July 4, 1902.

XIII.

The state of war in the Philippine islands above described was recognized and proclaimed by the executive officers of the United States at various times, for example:

President McKinley directed, on March 2, 1901, under the Spooner amendment (31 Stat. L., 910), that "power to govern the Philippines shall remain in the persons now exercising the same under the military government of said islands."

In a report dated March 18, 1901, in regard to the legality of an order for the deportation of George T. Rice to the United States, the War Department referred to a state of war then existing in the Philippines.

In a report dated May 3, 1901, the War Department referred to the insurrection in the Philippines as initiated by the battle of Manila on February 4, 1899, and as bringing on a state of war, which continued since then.

Secretary of War Root, in December, 1901, in passing upon the claim of Lieut. Horton W. Stickel, Corps of Engineers, for personal property thrown overboard from a transport in the Philippines, said: "The insurrection in the Philippines against the sovereignty of the United States and the authority of the government of the Philippine islands is of such a character and extent as requires the
27 United States to prosecute its rights by military force, and therefore creates a condition of war in said archipelago."

The military government, which on December 21, 1898, President McKinley ordered to be extended from Manila city, bay, and harbor to the whole of the ceded Philippine islands, was continued by the President during the existence of the insurrection in those islands; and the military officers, who were given the direction of said military government by order and authority of the President, put into force and execution various orders relating to the collection of internal revenue and of customs duties as acts of military necessity and according to the rules of war, including the continuance in force and the execution of an executive order published by the Secretary of War, by direction of the President, on the 13th day of July, 1898, providing for the levy and collection of import and export duties upon articles imported into and exported from the Philippine islands, which order was promulgated as a war measure incident to the then existing war with Spain.

XIV.

The existence of a state of war in the Philippine islands, from the time of the declaration of war by the Filipino insurgents, on February 4, 1899, and the commencement of the armed hostilities of the insurgents, on the same day, was recognized by the Congress of the United States, and the action of the Executive in establishing a military government in the Philippine islands and enforcing various war measures incident to that government, was recognized, ratified, and sanctioned by the Congress of the United States in various enactments.

Conclusion of Law.

On the foregoing findings of fact the court decides as a conclusion of law that the plaintiff can not recover, and that its petition be dismissed.

V.—Opinion.

WRIGHT, J., delivered the opinion of the court:

Plaintiff is a corporation organized under the laws of Great Britain and is a subject of that kingdom, and was, during the war between Spain and the United States, and the latter Government with the Filipinos, engaged as a general commission mercantile trading house in the port of Manila and other ports in the Philippine islands, and as a part of its business imported goods of various kinds from the United States, the growth, produce, or manufacture of the several States of the Union. As a result of the war with Spain the port of Manila passed to the control of the military authority of the United States, and by the exchange of ratifications of the treaty by the two governments concerned, April 11, 1899, the sovereignty possessed by the Kingdom of Spain in the Philippine islands was transferred to and accepted by the United States.

Previous to, at the time of, and after the treaty of peace there existed in the said islands an organized, armed insurrection against the lawful authorities therein, and on the 4th day of February, 1899, the organized military forces of the Filipinos, headed by Aguinaldo, began war against the United States forces in the Philippine islands, which continued until July 4, 1902. At the time the war
28 began the organized military force of the Filipinos was between 50,000 and 60,000, which force was kept recruited more or less effectively during the period of the war, and during the same period of time the United States had called into action troops to the total number of 126,468 to operate against the insurgent forces. During this war the total number of engagements was 2,744. The number of deaths from all causes among the troops of the United States during the war was 4,374, and 3,022 were wounded in action.

During the war with Spain the military authorities of the United States imposed certain tariff duties and taxes upon importations into the ports of the Philippine islands in possession of such military

authorities, and ordered the same to be levied and collected as a military contribution, which was accordingly done, and these levies and collections were by the same authority continued throughout the war with the Filipinos, until Congress, by appropriate legislalation, substituted their will for that of the military government. The revenues thus derived went into the custody of the military commander, and were applied by him toward paying the expenses of the then existing military government, and in the prosecution of the war against the insurgents. None of the revenues so levied and collected were ever paid into the Treasury of the United States, nor were they subject to the jurisdiction or order of any officer of the Treasury Department.

By this suit plaintiff seeks to recover of the defendant so much of the tariff duties as were levied and collected from it between the date of signing the treaty of peace between Spain and the United States and the exchange of ratifications thereof April 11, 1899, and for all so collected after the latter date until November 15, 1901.

Certain preliminary questions have been made by the defense herein, such as (1) the plaintiff's incapacity to sue in this court by reason of alienage to Great Britain in consequence of its corporate existence instead of being a natural person; and (2) the action is one sounding in tort, and of which we have no jurisdiction.

In respect to the first objection we are satisfied to determine it against the Government's contention on the principle that it has been frequently held, that for the purposes of jurisdiction a corporation is a citizen of the State in which its corporate capacity was endowed with existence, and by extending this qualification to the plaintiff we perceive no reason why it should not be regarded as a citizen or subject of Great Britain, thus enabling it to maintain this suit in view of the comity existing between the governments of the United States and Great Britain.

In respect to the second objection before noted, we think the decision in Dooley *v.* United States (182 U. S., 222), disposes of it favorably to the jurisdiction of this court.

We are now brought to consider the important question in issue upon which our judgment is invited, namely, whether exaction of the tariffs on importations by the plaintiff from the United States into the port of Manila, which were levied and collected by the military authorities, can be sustained. If such exaction was in a time of peace in the Philippine islands, when the civil law prevailed, or could be enforced by the civil authorities, and after the exchange of ratifications of the treaty of peace between the United States and Spain, it is not denied that under the authority of the insular cases, so called, the collection was illegal for the reason that the
29 United States was not a foreign country with respect to said islands within the meaning of the tariff laws of the United States.

The case then clears itself to the single question: If a state of war existed in the Philippine islands did that *ipso facto* justify the exaction of the tariffs that were collected? That such war did exist

before and after the exchange of ratifications of the treaty with an armed military power in said islands is beyond dispute, and whether such war was declared or recognized in a particular manner or not it seems to us is but to beg the question. All men must be held to intellectual honesty to see and know the things that are plainly given them to see and know. We have already shown that an organized armed military force of over 50,000 men was opposed to and contesting with the United States the right of sovereignty in said islands, the treaty with Spain to the contrary notwithstanding. To overcome this armed force the United States employed 126,468 of its military forces in 2,744 separate engagements; lost 4,374 of its soldiers by death from all causes, and 3,022 were wounded in action. Important belligerent rights were conceded to the insurgent forces, and the laws of war were applied to intercourse between them and the United States military forces. Their soldiers, when captured, were treated as prisoners of war, and not held for treason; and, generally, all things were done as if the war had been a public one with a foreign nation. If these facts do not prove the existence of a state of war, then they are futile for every purpose. Moreover, a sufficient statement for this purpose is that the President and the Congress did once and again recognize a condition of war in the archipelago, and applied to it the usual measures incident to the treatment of a public war, and did thus invoke all the military power and authority vested in the Government in the prosecution of such war.

A war thus recognized and prosecuted ought forever to set at rest the fact of its existence, and the acts of the legislative and executive authorities in that respect, subject to judicial notice, should be equally as binding upon the judicial department of the Government as upon the legislative and executive. Any decision to the contrary would have no effect except in the case in which it might be made, because the fact could not be so changed, and will exist in history as a fact for all future time.

The question of war is one to be determined by the political department of the Government. The *Protector* (12 Wall., 700), where the court, among other things, said: "Acts of hostility by the insurgents occurred at periods so various and of such different degrees of importance and in parts of the country so remote from each other, both at the commencement and the close of the civil war, that it would be difficult, if not impossible, to say on what precise day it began or terminated. It is necessary, therefore, to refer to some public act of the political departments of the Government to fix the dates; and, for obvious reasons, those of the executive department which may be and, in fact, was, at the commencement of the hostilities, obliged to act during the recess of Congress, must be taken." (Williams *v.* Suffolk Ins. Co., 13 Pet., 415, 420; cited in Thomas *v.* U. S., 39 C. C., —.)

At the time the ratifications of the treaty of peace were exchanged, the treaty had thereafter the force of law, but by reason of the war

existing in the islands at the time, it failed to become effect-
30 ive, and it, as well as all other merely civil law, was suspended and superseded by military law, until such time as it might be possible to put the treaty and civil law in force, and establish proper administrative and judicial authorities to administer and enforce the same. The vital point is that until the military forces of the United States had suppressed armed resistance against its authority and established its sovereignty in the islands, the Government could not give the effect to the treaty contemplated by the high contracting parties. The case of Dooley, *supra*, and other insular cases, are not inconsistent with this view.

If the court had in mind the facts disclosed by this record, it could hardly have made a more pertinent exception than it did in the Dooley case, where it was said: "His (military commander's) power to administer would be absolute, but his power to legislate would not be without certain restrictions; in other words, they would not extend beyond the necessities of the case." No war existed in Porto Rico, into which the importation had been made, forming the subject of the Dooley case, nor had war existed there at any time. While the government there was for the time being in the military commander from the necessities of the case, yet he was not called upon to exercise the military authority incident to a state of war, nor did the necessities of the case demand the exercise of such power.

In time of war, within the military district of its operation, no restrictions are placed upon the power and authority of the military commander, except such as are imposed by the common consent of all civilized people. His power is absolute within the radius of his jurisdiction. He may prohibit or restrict all trade or commerce within his lines. As a condition to commerce within his military district he may impose contribution to assist in the expenses of the war or in giving such care to indigent noncombatants as humanity may require. These principles are, it seems to us, elementary and have their existence in long established and universal usage. They pervade the pages of history. Authorities are unnecessary to prove their existence, but recognition has been given them in Matthews *v.* McStea (91 U. S., 9); Prize cases (2 Black, 635); Hamilton *v.* Dillin (21 Wall., 73).

The tariffs paid by the plaintiff were not levied or collected by virtue of the general statutes of the United States relative to customs, nor by authority of any general law, nor in the exercise of the civil powers of the Government, the latter never having been in force in consequence of the prevailing war throughout said islands; but such tariffs were collected solely as a military contribution, exacted by the military government, and as a condition annexed to the privilege of importing goods upon which the duties were levied, and this is distinguishable from Diamond Rings (183 U. S., 176), where the question was as to the enforcement of the statute at Chicago, Ill., against property taken there from Luzon.

So far as appears from the evidence, the privilege of sailing away with its goods was not prohibited to the plaintiff, and while it does appear it was prohibited from landing the goods without first making payment of the duties, this does not deprive such payment of the nature of being voluntary. Plaintiff knew, or must be held as knowing, the military conditions that existed at the port to which it had sailed, and doubtless it made the importation in the expectation of having to pay the duties that were paid by it. The money was not covered into the Treasury of the United States, but
31 was applied by the military government toward its own expenses, in prosecuting the war against the enemies of the United States, and, so far as appears, the plaintiff acquiesced both in the payment and such use of the money.

We have expressed no opinion concerning the effect of the ratification by Congress, so much discussed on the trial, of the acts of the commander in chief, deeming the question immaterial to the issue involved. In time of war the commander in chief has the same powers as other civilized governments, and the exercise of them needed no ratification to give them effective force.

Congress, however, by the act approved July 1, 1902 (32 Stat. L., 691), did provide as follows:

"SEC. 2. That the action of the President of the United States heretofore taken by virtue of the authority vested in him as commander in chief of the army and navy, as set forth in his order of July twelfth, eighteen hundred and ninety-eight, whereby a tariff of duties and taxes as set forth by said order was to be levied and collected at all ports and places in the Philippine islands upon passing into the occupation and possession of the forces of the United States, together with the subsequent amendments of said order, are hereby approved, ratified, and confirmed, and the actions of the authorities of the government of the Philippine islands, taken in accordance with the provisions of said order and subsequent amendments, are hereby approved: *Provided*, That nothing contained in this section shall be held to amend or repeal an act entitled 'An act temporarily to provide revenue for the Philippine islands and for other purposes,' approved March eighth, nineteen hundred and two.

"SEC. 3. That the President of the United States, during such time as and whenever the sovereignty and authority of the United States encounter armed resistance in the Philippine islands, until otherwise provided by Congress, shall continue to regulate and control commercial intercourse with and within said islands by such general rules and regulations as he, in his discretion, may deem most conducive to the public interests and the general welfare."

It follows, from the views we have expressed, that in our opinion the petition should be dismissed, and the judgment of the court is that it be done accordingly.

Nott, Chief Justice, and Howry, J., did not sit, and took no part in the decision of the case.

32 VI.—Judgment of the Court.

WARNER, BARNES & COMPANY, LIMITED,
v.
THE UNITED STATES. } No. 22757.

At a Court of Claims held at the city of Washington on the 5th day of May 1904, judgment was ordered to be entered as follows:

The court on due consideration of the premises find for the defendants and do order, adjudge and decree, that the petition of the claimants, Warner, Barnes & Company, Limited, be and the same is hereby dismissed.

BY THE COURT.

33 VII.—Claimant's Motion for Additional Findings of Fact and Affidavit, Filed May 18, 1904, and Order of Court Overruling Same, December 5, 1904.

Now comes the claimant, Warner, Barnes & Company, Limited, by Henry M. Ward, its attorney, and moves the court that the findings of fact filed herein on the fifth day of May, 1904 be amended and supplemented by finding the requests to find heretofore submitted by the claimant, and numbered ninth, tenth, twelfth, thirteenth, sixteenth, seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-second, pursuant to the affidavit of Henry M. Ward, verified May 16, 1904 and herewith submitted, and for such other or further order or relief as may be just and proper.

Dated May 16th, 1904.

HENRY M. WARD,
Attorney of Record for Claimant,
32 Nassau Street, New York City, New York.

To the honorable justices of the Court of Claims and the Honorable Louis A. Pradt, Assistant Attorney-General.

34 STATE OF NEW YORK, } *ss:*
County of New York, }

Henry M. Ward, being duly sworn, deposes and says:

I am counsel for the claimant in this suit. The claimant submitted twenty-two requests for findings of fact of which the defendant assented to and the court found the first, second, third, fourth, eleventh, fourteenth and fifteenth. The defendant also assented to the claimant's twelfth and thirteenth findings of fact, but the court embodied a portion of the claimant's twelfth request in its eighth finding and failed to find the claimant's thirteenth request. These two requests of the claimant and the eighth finding of the court are as follows:

"Twelfth. Upon the arrival of such articles of merchandise at "said port of Manila the military officer of the United States then "acting as collector of customs at that port and his military subor-

"dinates took possession of such articles and placed them under "military guard in the manner prescribed in said tariff and regu- "lations, and proceeded to asssess and levy customs duties thereon "at the rates thereby established, and refused to deliver possession "thereof until after the payment of such duties, and threatened in "the event of default in such payment to seize and sell such goods "with the military forces at their command for the payment of the "duties, all in conformity with the provisions of said customs tariff "and regulations relating to similar articles imported into the Phil- "ippines from foreign countries.

"Thirteenth. Said firm of Warner, Barnes & Company, and the "claimant during said respective periods were obliged to pay the "amount of such duties to the military collector in order to obtain "possession of said articles."

35 Eighth finding by the court:

"Upon the arrival of vessels at the port of Manila contain- "ing such articles of merchandise the military officer of the United "States, then acting as collector of customs at that port, placed said "vessels under military guard until they should be duly discharged, "and no delivery of imported merchandise from such vessels was "permitted to be made in said port of Manila to the importer until "the duties assessed thereon had been duly paid. The said col- "lector, upon the arrival of vessels containing such imported mer- "chandise, preliminary to the assessment and payment of customs "duties thereon, required the importer to enter said merchandise "for payment of duty at the custom house within ninety days after "importation. In this case it appears these regulations were con- "formed to."

With respect to the twenty-first of claimant's requests which reads:

"Twenty-first. At any time during said period a column of three "thousand United States troops could have marched throughout "the island of Luzon without encountering any effective opposition."

The defendant stated as follows:

"The twenty-first of claimant's requests for findings of fact is not "objected to except that there should be added thereto: 'But the "'Filipino government nevertheless had sway throughout Luzon.'"

The defendant did not state whether it assented or objected to the claimant's twenty-second finding, which reads as follows:

"Twenty-second. Manila was never in the possession of the in- surgents."

We submit that it is material to the issue.

Neither the 21st nor 22nd request was found by the court.

36 Of the remaining requests for findings made by the claim- ant, we respectfully ask that the ninth request be found as submitted. This request embodies the material and relevant por- ions of the executive order of July 12th, 1898 under which the cus- oms duties in suit were collected. The defendant objected to this equest and to many others "on the ground that portions of the

same are not proven or are immaterial and that the material portions of the same are embodied in the defendant's request for findings of fact."

The Government embodied the enacting portion of the order in its fifth request which was found by the court, but the portion of the order which contains the regulations for the enforcement of the duties is material to the claimant's case, and we respectfully submit that the claimant is entitled to this finding in order that the issues of fact and law may be properly presented on an appeal. The portion of the request which the court did not pass upon, is as follows (after setting forth the enacting portion of the order):

"Upon the occupation of any ports or places in the Philippine islands by the forces of the United States, the foregoing order will be proclaimed and enforced.

"R. A. ALGER,
"Secretary of War."

"Regulations for the guidance of officers concerned in the collection "of duties on imports and exports, taxes and other charges and "exactions to be levied and collected as a military contribution "at ports or places in the possession of or under the control of the "forces of the United States in the Philippine islands.

"Every vessel shall be placed under a military guard until duly discharged. * * * No delivery of imported merchandise shall be made to the importer unless he shall have duly paid in cash the duties assessed thereon.

"Coastwise cargoes shall be subject to duties the same as if coming from a foreign port, except as to the trade between ports in "the possession of the United States. * * *

"Any goods, wares or merchandise not duly entered for "payment of duty within ninety days after importation shall be sold at auction by order of the commandant after five days' public notice."

The schedules follow, and then this order closes:

"The foregoing schedules and provisions based upon the tariff and taxing laws heretofore in operation in the Philippine islands, including such other taxes and exactions heretofore collected, as in the discretionary judgment of the commanding general shall be considered proper and necessary, shall be and remain in force until duly modified, suspended or revoked."

"At all times from November 10, 1898, to November 15, 1901, the said tariff and regulations were enforced at the various ports of entry in the Philippine islands, and more particularly at the said last port of Manila, in the island of Luzon."

The claimant also submitted the following request which we submit is relevant to the issue:

"Tenth. During all of said period import duties were collected under the alleged authority of said orders and of said tariff by the

"military authorities of the United States upon articles, the growth "and produce of the several States, brought into the several ports of "entry in the Philippine islands from the ports in the several States "and Territories of the United States, as well as upon like articles "imported from foreign countries."

This was included under the general objection made by the defendant to the ninth request and others as above stated, but as this finding is not included in any of the facts found by the court we respectfully ask that it be found.

The sixteenth, seventeenth, eighteenth and nineteenth requests of the claimant are all material and relevant and while covered by the general objection of the defendant we submit that they should be found as undisputed facts. They are as follows:

38 "Sixteenth. The total amount of duties so collected was "paid over by said military collectors to the United States, and no part thereof has ever been refunded to the said firm of Warner, Barnes & Company, Limited, or to the claimant."

"Seventeenth. The government of Great Britain by the act of 23, 24 Victoria, July 3, 1860, accords to citizens of the United States the right to prosecute suits against the government, and in such suits judgment may be recovered according to the nature and extent of the relief to which the suitor is entitled at law or in equity.

"Eighteenth. During all the period from December 10, 1898, till November 15, 1901, the port of Manila was open to the commerce of all the world.

"Nineteenth. During said period the United States Government encouraged and fostered commerce between Manila and the ports in the States of the United States."

Of the remaining requests by the claimant, the fifth, sixth, seventh and eighth appear to be included in the requests submitted by the defendant and found by the court, but we respectfully submit that as each of these requests embodies a material and relevant fact, stated in concise form they should be allowed by the court.

All of which is respectfully submitted.

HENRY M. WARD.

Sworn to before me, this 16th day of May, 1904.

[SEAL.] RALPH KIRBY,
Notary Public, Nassau County.

Certificate filed in New York county.

Overruled.

December 5, 1904.

BY THE COURT.

39 VIII.—Claimant's Application for and Allowance of Appeal.

Now comes the claimant by its attorney and makes application for the allowance of an appeal to the Supreme Court of the United States from the judgment of this court entered and filed herein on the 5th day of May, 1904.

HENRY M. WARD,
Attorney for Claimant,
32 Nassau Street, New York City.

Filed July 21, 1904.

On the 15th day of December, 1904, the aforesaid application for allowance of appeal, filed July 21, 1904, was presented to the court by the attorney for claimants, and it was ordered that the appeal be allowed as prayed for.

BY THE COURT.

40 Court of Claims.

WARNER, BARNES & COMPANY, LIMITED,
vs.
THE UNITED STATES. } No. 22757.

I, John Randolph, assistant clerk of the Court of Claims, hereby certify that the foregoing are true transcripts of the pleadings in the above-entitled cause; of the findings of fact and conclusion of law filed by the court; of the opinion of the court; of the judgment of the court; of the motion of the claimants for additional findings of fact, and order overruling same; of the application for, and the allowance of, appeal to the Supreme Court of the United States.

In testimony whereof I have *have* hereunto set my hand and affixed the seal of said court this 16 day of December, 1904.

[Seal Court of Claims.]

JOHN RANDOLPH,
Ass't Clerk, Court of Claims.

Endorsed on cover: File No. 19,566. Court of Claims. Term No. 466. Warner, Barnes and Company (Limited), appellant, *vs.* The United States. Filed December 17, 1904. File No. 19,566.

FILE COPY.

Office Supreme Court
FILED
NOV 30 1903
JAMES H. McKENNEY,
Clerk

Supreme Court of the United States.

OCTOBER TERM, 1903.

No. ~~1094~~ 149.

FREDERICK W. LINCOLN AND OTHERS, TRADING AS COPARTNERS UNDER THE FIRM NAME AND STYLE OF H. W. PEABODY & COMPANY, PLAINTIFFS IN ERROR,

against

THE UNITED STATES, DEFENDANT IN ERROR.

MOTION TO ADVANCE.

HENRY M. WARD,
For Plaintiffs in Error.

PAUL FULLER,
FREDERIC R. COUDERT, JR.,
Counsel.

JUDD & DETWEILER, PRINTERS, WASHINGTON, D. C. 8793

Supreme Court of the United States.

OCTOBER TERM, 1903.

No. 491.

FREDERICK W. LINCOLN AND OTHERS, TRADING AS COPARTNERS UNDER THE FIRM NAME AND STYLE OF H. W. PEABODY & COMPANY, PLAINTIFFS IN ERROR,

against

THE UNITED STATES, DEFENDANT IN ERROR.

MOTION TO ADVANCE.

UNITED STATES OF AMERICA, *ss:*

And now come the plaintiffs in error and respectfully move the court to advance this cause, under paragraph 5 of rule 26, and set it down for hearing upon such day as may be most convenient to the court.

The motion is made for the following reasons:

This is a suit brought in the district court of the United States for the southern district of New York as a court of claims under the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the Government of the United States," 1 Sup. R. S., 559, commonly known as the

Tucker act, by a citizen of the State of New York and citizens of other States, members of the firm of H. W. Peabody & Company, against the United States, to recover the sum of seven hundred and thirteen dollars and forty-eight cents ($713.48). It is set out in the petition that the petitioners shipped certain articles, the growth, produce, or manufacture of certain of the States, from the port of New York to the port of Manila, in the Philippine islands; that on the arrival of the vessel on which these articles were carried the military authorities of the United States, acting under certain orders of the President, levied certain customs duties thereon and compelled the payment thereof by duress of goods, in violation of the Constitution and of the treaty with Spain. These duties were exacted on various dates between December 13, 1900, and January 26, 1901. In the court below the United States filed an answer admitting substantially all of the facts set forth in the petition and set up as an affirmative defense that at the time of the importations in question there existed an armed insurrection in the Philippine islands whereby the territory of the islands was rendered hostile and trade with such hostile territory was unlawful, and that while the town and port of Manila at the times referred to in the petition were in the actual possession of the United States such possession was challenged and interfered with by hostile insurrectionary military forces and was held by the United States only by force of arms, and that the duties in question were imposed as a condition upon the privilege of trading with hostile territory and were properly enforced as an exercise of the belligerent rights of the United States arising from the conditions then existing in said islands, and that the right of the President to exact the duties in question was justifiable as an exercise of the war powers of the United States in territory affected by an armed insurrection.

The petitioners, believing that said answer does not set out any facts except facts which do not require to be proved

and of which the court will take judicial notice, and being advised by counsel that the court in taking judicial notice of facts is not bound by the averments of the pleadings, demurred to the sufficiency of the answer. This demurrer was overruled by the district judge, and, the petitioners electing to stand upon their demurrer, an order and judgment were entered dismissing the petition on the merits. The cause was then brought here directly by writ of error.

The procedure adopted is substantially the same as that approved by this court in the case of *Dooley v. United States*, 182 U. S., 222. The duties were collected under the alleged authority of an order of the President, which is substantially identical with that which was brought before this court in the *Dooley* case, which order this court held did not apply to articles imported into Porto Rico from the United States after the date of the ratification of the treaty with Spain—April 11, 1899. The points on which counsel rely for a reversal are that the case is covered by the decisions in the first *Dooley* case, 182 U. S., 222, and in the *Diamond Rings* case, 183 U. S., 176; that the President had not the power to impose the duties in question, and that such imposition of duties is in violation of the various provisions of the Constitution specified in the assignment of errors. They therefore respectfully urge that this cause, which is of great public interest, be advanced on the calendar and set for a hearing at as early a date as may be convenient to the court. They understand that the Attorney General does not oppose this application.

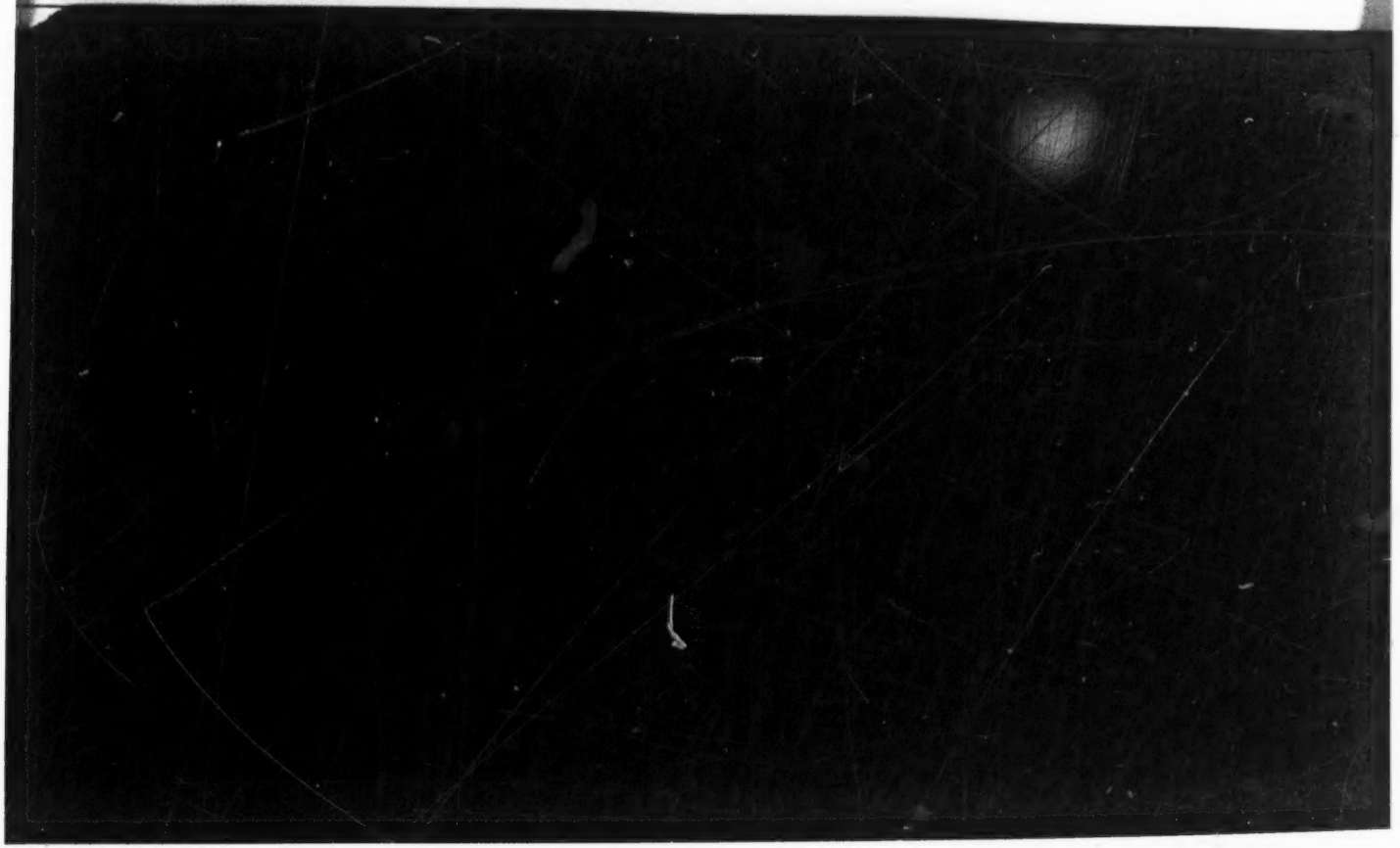
Respectfully submitted.

HENRY M. WARD,
For Plaintiffs in Error.

PAUL FULLER,
FREDERIC R. COUDERT, JR.,
Counsel.

Dated NOVEMBER 30, 1903.

[Endorsed:] United States Supreme Court, October term, 1903. No. 491. Frederick W. Lincoln and others, trading as copartners under the firm name and style of H. W. Peabody & Company, plaintiffs in error, against The United States, defendant in error. Motion to advance. Henry M. Ward, attorney for plaintiffs in error; office and post-office address, No. 32 Nassau street, borough of Manhattan, city of New York.



IN THE

Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN and others, Plaintiffs in Error, AGAINST THE UNITED STATES, Defendant in Error.	No. 149.
WARNER, BARNES & Co., Limited, Appellant, AGAINST THE UNITED STATES, Appellee.	No. 466.

STATEMENT.

The Lincoln Case No. 149, comes up by writ of error from the District Court of the United States for the Southern District of New York, where judgment was rendered against the claimant dismissing the petition upon a demurrer interposed to the answer of the United States.

The Warner-Barnes case, No. 466, comes up by appeal from a judgment of the Court of Claims dismissing

the petition upon a trial of the issues raised by a general traverse to the petition.

In both cases the claimants seek to recover duties exacted of them at the Port of Manila, Philippine Islands between the dates of April 11th, 1899, and October 25th, 1901 upon merchandise shipped by them from the Port of New York.

Both cases present the same defense, to wit:

That by reason of the insurrection in the Philippine Islands, the Islands became hostile territory, were not in the possession of the United States except by force of arms and that as a consequence trade with such territory was unlawful unless permitted by the Military Commander; that all shipments of merchandise to Manila were, under the laws and usages of war, liable to such impositions as the Military Commander chose to make, either as customs duties or as a condition for leave to trade with an enemy in hostile territory.

This is the ground upon which the exaction of the duties complained of was sustained by the Courts below.

The answer in the Lincoln case (Rec., pp. 8 & 9), alleges that:

> "There existed an armed insurrection in said Phil-
> "ippine Islands * * * whereby the Territory
> "of said Islands was rendered hostile and trade with
> "said hostile territory was unlawful except by the
> "permission of the Commander of the belligerent
> "force then conducting military operations in said
> "hostile territory."
>
> That "while it is true that the town and port of
> "Manila in said Islands was in the actual possession
> "of the United States * * * yet, said posses-
> "sion was challenged and interfered with by hostile,

"insurrectionary, military forces and was held by "the United States only by force of arms and mil- "itary occupation and government as a part of a "*hostile territory.*"

"That after February 4th, 1899, when said hos- "tilities against the United States in said Islands "were inaugurated, all articles of merchandise "* * * shipped to and entered in any port "of the said Islands, including Manila, *then ter- "ritory hostile to the United States,* were under "the laws and usages of war, and the Consti- "tution and Laws of the United States and under "the orders and regulations of the Military Com- "mander, * * * liable to the payment of "the several sums of money mentioned and set forth "in said petition as duties and payable to the mili- "tary officer of the United States, then acting as col- "lector of customs for the Port of Manila, not only "under said laws, usages, orders and regulations, "but also as a condition imposed upon the privilege "of trading with hostile territory."

The sufficiency of these facts to constitute a defense was raised by a demurrer interposed by the claimant to the answer. This demurrer does not, however, admit the existence of any facts alleged in the answer to the contrary of facts of which *this Court* takes judicial notice.

Jones v. *U. S.*, 137 U. S., at 215.
The Three Friends, 166 U. S., at 63.
Underhill v. *Hernandez*, 168 U. S., at 253.

In the Warner-Barnes case, the opinion of the Court states the ground of the decision as follows (p. 20):

"The case then clears itself to the single question: "If a state of war existed in the Philippine Islands, "did that *ipso facto* justify the exaction of the tariffs

"that were collected? That such war did exist be-
"fore and after the exchange of ratifications of the
"Treaty with an armed military power in said
"Islands is beyond dispute, and whether such war
"was declared or recognized in a particular man-
"ner or not seems to us is but to beg the question.
"All men must be held to intellectual honesty to see
"and know the things that are plainly given them to
"see and know. * * *

"At the time the ratifications of the Treaty of
"Peace were exchanged, the Treaty had thereafter
"the force of law but by reason of the war existing in
"the Islands at the time, it *failed to become effec-*
"tive and it, as well as all other merely civil law,
"was suspended and superseded by military law,
"until such time as it might be possible to put the
"treaty and civil law in force and establish proper
"administrative and judicial authorities to admin-
"ister and enforce the same." (Rec., pp. 21-22).

"The tariffs paid by the plaintiff were not levied
"or collected by virtue of the general statutes of the
"United States relative to customs nor by authority
"of any general law, nor in the exercise of the civil
"powers of the Government, the latter never having
"been in force in consequence of the prevailing war
"throughout said Islands, but such tariffs were col-
"lected solely as a military contribution exacted by
"the Military Government and as a condition an-
"nexed to the privilege of importing goods upon
"which the duties were levied, and this is distinguish-
"able from Diamond Rings, 183 U. S., 176, *where*
"the question was as to the enforcement of the
"statute at Chicago, Illinois, against property taken
"there from Luzon."

(Rec., p. 22.)

As cession of territory to and possession by the ac-
quiring power are the only requisites to bring territory

under the sovereignty and render it subject to the laws of the acquiring state, and as the cession by the Treaty of Paris is not here questioned, the basis of this defense can be no other than that the Philippine Islands were not, or more correctly, that the Port of Manila was not, at the time of the exactions complained of, in the possession of the United States, but was in the possession and under the domination of another power,—or at best in the possession of another power to such an extent that the sovereignty of the United States could not be there exercised.

The proposition applied to these cases resolves itself into this: That the City of Manila over which the United States had complete admitted *de jure* title and absolute, complete, physical possession was rendered hostile territory, so that the sovereignty of the United States was "suspended and superseded" and intercourse between it and the other parts of the United States was rendered unlawful, because of insurrection in some other portions of the Islands.

This position can only be maintained by striking from our judicial records the case of the Fourteen Diamond Rings.

The appellants contend:

a. That the question herein involved has already been definitely and completely determined by the decisions of this Court in the three cases of *DeLima* v. *Bidwell,* 182 U. S. 1, *Dooley* v. *United States,* 182 U. S., 222, and *Fourteen Diamond Rings,* 183 U. S., 176, which are conclusive of the cases at bar.

b. That the trade in these cases was not with the insurgents nor with the enemy, assuming, as counsel for the

United States here claims, the Filipino insurrectionists to belong to that category. It was trade between Manila and New York, Manila being a place which had been in the possession of the United States since the 12th of August, 1898, had never been in the possession of the Filipino insurrectionists and which became, after the Treaty of Paris, *de jure* as well as *de facto,* a port of the United States in the complete possession of the lawful authorities of the United States.

POINT I.

ALL THE QUESTIONS INVOLVED IN THE CAUSES AT BAR HAVE BEEN FINALLY DECIDED BY THIS COURT IN THE INSULAR CASES.

1. *Manila was not hostile territory and the possession and sovereignty of the United States were complete.*

This question has been determined by this Court.

In *DeLima* v. *Bidwell,* 182 U. S., 1, the Court held (p. 180):

> "The status of Porto Rico was this: The Island "had been for some months under military occupa- "tion by the United States as a conquered country, "when, by the second article of the Treaty of Peace "between the United States and Spain, signed De- "cember 10, 1898, and ratified April 11, 1899, Spain "ceded to the United States the Island of Porto Rico, "which has ever since remained in our possession "and has been governed and administered by us."

The Court, after an examination of authorities, sums them up as follows:

"From this resumé of the decisions of this Court, "the instructions of the Executive Departments, and "the above Act of Congress (Foraker Act), it is evi- "dent that, from 1803, the date of Mr. Gallatin's "letter, to the present time, there is not a shred of "authority, except the dictum in Fleming *v.* Page "(practically overruled in Cross *v.* Harrison) for "holding that a district ceded to and in the posses- "sion of the United States remains for any purpose "a foreign country. Both these conditions must "exist to produce a change of nationality for rev- "enue purposes * * * (p. 194).

"We are, therefore, of opinion that at the time "these duties were levied Porto Rico was not a for- "eign country within the meaning of the tariff laws, "but a territory of the United States" (p. 200).

This case has definitely and positively laid down the criterion by which to determine whether a country has or has not ceased to be foreign as far as the United States is concerned.

Cession to and possession by, the United States are the determinative factors.

The country thus ceasing to be foreign, duties upon goods imported therefrom into the United States cannot be taxed under any law applying to foreign countries. Such country has ceased to be within the category of foreign, and has become domestic territory of the United States.

Applying this reasoning and this criterion to the Philippine Islands, the question is: whether they were ceded to and in the possession of the United States at the time of these exactions. If they were, then they had ceased to be foreign, and the only remaining question would be as to the power of the President of the United States or the

commander of the armies of the United States in the Philippines, acting in pursuance of the authority delegated to him by the President, to impose a customs tariff upon goods coming from the United States into the Philippines, a domestic territory. Were this question still open the position of the claimants might present more difficulties.

2. *The President had not the power, after the ratification of the treaty, to collect the duties involved in these cases.*

That question, left undecided in *DeLima* v. *Bidwell,* has been definitely set at rest by the decision of this Court in *Dooley* v. *U. S.,* 182 U. S., 222.

The question there was as to the right of the comder-in-chief to impose duties upon goods coming into Porto Rico from the United States after the ratification of the Treaty of Paris. Owing to the important principles laid down in this case, and to its bearing upon the position of the claimant, it is worthy of a somewhat careful analysis.

In *DeLima* v. *Bidwell,* it had been held that the Dingley Act, imposing duties on goods from foreign countries, did not apply to Porto Rico. The collector had made exactions under the supposed authority given him by that law. The source of this supposed authority was the legislative power of Congress.

The authority upon which the duties were levied in the Dooley case was the order of the President. The source of this supposed authority was the power of the President under the Constitution as commander-in-chief of the military forces of the United States.

Before the ratification of the treaty the Military Commander, says Mr. Justice Brown,

> "has all the powers of a *de facto* Government, and "can at his pleasure either change the existing laws "or make new ones. * * *
>
> "At the same time while the right to administer "the Government continued, the conclusion of the "Treaty of Peace and the cession of the Island to "the United States were not without their signif- "icance. By that act Porto Rico ceased to be a for- "eign country, and the right to collect duties upon "imports from that Island ceased. *We think the co- "relative right to exact duties upon importations "from New York to Porto Rico also ceased.* The "spirit as well as the letter of the tariff laws admit "of duties being levied by a Military Commander "only upon importations from foreign countries; and "while his power is necessarily despotic, this must be "understood rather in an administrative than in a "legislative sense. While in legislating for a con- "quered country he may disregard the laws of that "country, he is not wholly above the laws of his own. "*For instance, it is clear that while a Military Com- "mander during the Civil War was in the occupation "of a Southern port, he could impose duties upon "merchandise arriving from abroad, it would hardly "be contended that he could also impose duties upon "merchandise arriving from ports of his own coun- "try.* * * *
>
> "*In our opinion the authority of the President as "Commander-in-Chief to exact duties upon imports "from the United States ceased with the ratification "of the Treaty of Peace.*"
>
> (*Dooley* v. *U. S.*, 182 U. S., 231, 234, 236.)

The analysis of the foregoing leads to this conclusion: The right to impose duties originally exercised by

the President prior to the ratification of the treaty under the law of belligerent right was exercised in regard to goods coming from the United States because Porto Rico was then a foreign country with respect to the United States and conversely the United States was a foreign country with respect to Porto Rico so that their imposition was in accordance with the spirit and letter of an Act of Congress which imposed duties upon articles "imported from foreign countries."

It thus appears that two elements were requisite in order to validate the duties so imposed.

1. A military government possessing the usual attributes of such government under the law; and

2. The fact that the status of the port from which the shipment was made toward the port of entry was that of a port in a foreign country.

Thus it will be seen that the right which the President exercised in Porto Rico was, as Mr. Justice Brown puts it, "the same right as that which the collector at New York "exercised," because it was predicated upon the existence of the same fact, namely, the coming of goods from a foreign country.

It is evident upon an examination of the Dooley case that the ratification of the treaty did not deprive the military government in the Philippine Islands of the power which it had upon the conquest of Manila from Spain, to impose duties upon goods imported from a foreign country.

The ratification of the treaty did, however, create a new situation, namely, the "cession of the Island to the

"United States," and the extinguishment of its status as a foreign country. The Military Commander then, as before, while free from any restraint arising from the local laws, was nevertheless, not superior to the laws of his own country. While therefore, "the spirit and the "letter of the tariff laws authorized him to impose duties "upon goods from foreign countries," the same "spirit "and letter," prevented his imposing duties upon goods coming from his own country. In other words, the commander (that is to say, the President), is bound to regard the tariff laws of the United States.

3. *This Court has decided that the language of the order under which these duties were collected did not authorize their collection after the ratification of the treaty.*

A further and equally decisive consideration urged by Mr. Justice Brown in the *Dooley* case (p. 235) is that,

> "Without questioning at all the original validity "of the order imposing duties upon goods imported "into Porto Rico from foreign countries, we think "the proper construction of that order is that it "ceased to apply to goods imported from the "United States from the moment the United "States ceased to be a foreign country with respect "to Porto Rico, and that until Congress otherwise "constitutionally directed such merchandise was en- "titled to free entry."

We print the enacting portions of the two orders in parallel columns, matter in the Porto Rican order not included in the Philippine, in parentheses; matter in the Philippine not in the Porto Rican in *italics*.

PORTO RICAN ORDER.

EXECUTIVE MANSION,

(January 20, 1899).

By virtue of the authority vested in me as Commander-in-Chief of the Army and Navy of the United States of America, I do hereby order and direct that the following tariff of duties and taxes (shall) be levied and collected, and (the) regulations for the administration thereof shall take effect and be in force in (all) ports and places (in the Island of Porto Rico and all islands in the West Indies east of the 74th degree, west longitude, evacuated by Spain, on and after February 1, 1899.

All) questions arising (in the administration of customs shall be referred to the collector at the port of San Juan for decision, and there shall be no appeal from such decision except in cases where the collector may find it expedient to ask for special instructions of the War Department on the points involved.)

Necessary and authorized expenses for the administration of said tariff

PHILIPPINE ORDER.

EXECUTIVE MANSION,

July 12, 1898.

By virtue of the authority vested in me as Commander in Chief of the Army and Navy of the United States of America, I do hereby order and direct that *upon the occupation and possession of any ports and places in the Philippine Islands by the forces of the United States*, the following tariff of duties and taxes, *to* be levied and collected *as a military contribution*, and regulations for the administration thereof, shall take effect and be in force in *the* ports and places *so occupied*. Questions arising *under the said tariff and regulations shall be decided by the general in command of the United States forces in those islands.*

Necessary and authorized expenses for the administration of said tariff and

and regulations shall be paid from the collections thereunder.

Accurate accounts of collections and expenditures shall be kept and rendered to the Secretary of War.

WILLIAM MCKINLEY.

("Records and Briefs in the Insular Cases Printed under Direction of Congress," page 773).

regulations shall be paid from the collections thereunder.

Accurate accounts of collections and expenditures shall be kept and rendered to the Secretary of War.

WILLIAM MCKINLEY.

(Finding Number 5, page 12, Record in Warner-Barnes case.)

The wording of the two orders is practically the same and the identical language in both orders must have the same meaning. Indeed the very differences of the wording of the Philippine order show that it was intended purely and simply as a "war measure" *during the war with Spain* while the Porto Rican order was promulgated after the treaty was signed.

4. *There is no legal distinction between the status of Manila at the time of the exaction of these duties and that of Porto Rico prior to the passage of the Foraker Act.*

It follows from the above argument that if, as in the case of Porto Rico, the Philippine Islands were ceded to and in the possession of the United States, the President, as the Commander-in-Chief could not impose duties on goods coming from the United States into those Islands.

It is urged, however, by the Government that the existence of an insurrection in the Philippine Islands distinguishes the cases at bar and takes them out of the purview of either of the foregoing cases. As the Philippine

Islands were undoubtedly ceded by Spain to the United States under the same treaty which ceded Porto Rico, the contention of the Government must be that the Philippines were not in the possession of the United States. If they were in such possession all the necessary requisites laid down in the *DeLima* case exist, hence the Commander-in-Chief cannot in contradiction of the tariff laws of his own country treat the Philippines as foreign to the United States or the United States as foreign to the Philippines.

The Government's contention that, war existing in the Philippines, the Commander-in-Chief had the right to tax intercourse between the Philippines and the United States, is equivalent to the statement that the Philippine Islands were not in the possession of the United States.

This is plainly the ground adopted by the Court of Claims, which contends (Record *Warner-Barnes Case,* p. 22), that by reason of the insurrection the Treaty of Cession "failed to become effective," was "suspended "and superseded" and

> "until the military forces of the United States had "suppressed armed resistance against its authority "and *established its sovereignty in the Islands,* the "Government *could not give the effect to the treaty* "contemplated by the high contracting parties."

If the Islands were in the possession of the United States, then under the *DeLima* and *Dooley* cases imports from the United States could not be taxed by the President except in accordance with an Act of Congress. If they were not in the possession of the United States, but in that of the Tagalog insurgents, then they were in whole or in part under a domination other than that of the United States; they were hostile territory *and conse-*

quently foreign territory. The Philippines would thus have been in the same position as was Porto Rico before the ratification of the Treaty with Spain.

If, therefore, the two cases above mentioned, *DeLima* and *Dooley,* were the only ones decided by this Court, the question might still be an open one as to whether or not the insurrection existing in the Philippines did so affect the possession of the United States that those Islands remained in legal effect foreign. If so "the "spirit and letter of the tariff laws" not applying to them, the Commander-in-Chief might have been authorized to tax goods coming into them from the United States, and his order promulgated during the Spanish War imposing such taxes might then be construed as applying to importations from the United States.

But this question again has been decided by this Court in the case of the *Fourteen Diamond Rings,* 183 U. S., 176. The Court dealing with the identical contention here made by the Government, said:

> "The Philippines were not simply occupied, but "acquired, and having been granted and delivered to "the United States by their former master were no "longer under the sovereignty of any foreign na- "tion." (p. 178.) * * *
>
> "It is further contended that a distinction exists "in that while *complete possession* of Porto Rico was "taken by the United States, this was not so as to the "Philippines *because of the armed resistance of the "native inhabitants to a greater or less extent.*
>
> "We must decline to assume that the Government "wishes thus to disparage the title of the United "States, or *to place itself in the position of waging a "war of conquest.*
>
> "The sovereignty of Spain over the Philippines "and possession under claim of title had existed for a

"long series of years prior to the war with the "United States. The fact that there were insurrec- "tions against her or that uncivilized tribes may "have defied her will, did not affect the validity of her "title. She granted the Islands to the United States, "and the grantee in accepting them took nothing less "than the whole grant.

"If those in insurrection against Spain continued "in insurrection against the United States, *the legal "title and possession of the latter remained unaf- "fected.*

"We do not understand that it is claimed that in "carrying on the pending hostilities the Government "is seeking to *subjugate the people of a foreign "country*, but, on the contrary, that it is preserving "order and suppressing insurrection in territory of "the United States. It follows that the possession "of the United States is adequate possession under "legal title *and this cannot be asserted for one pur- "pose and denied for another.* We dismiss the sug- "gested distinction as untenable" (pp. 180, 181).

Mr. Justice Brown, concurring, says at pages 182 and 184:

"I concur in the conclusion of the court in this "case and in the reasons given therefor in the "opinion of the Chief Justice. * * *

"I have no doubt the treaty might have provided "as did the Act of Congress annexing Hawaii that "the existing customs relations between the Spanish "possessions ceded by the treaty and the United "States should remain unchanged until legislation "had been had upon the subject; but in the absence "of such provision the case is clearly controlled by "that of *DeLima* v. *Bidwell.*"

It thus appears conclusively that cession and possession united to make the Philippines domestic territory.

To contend that the Filipino insurrection made the Philippines hostile territory or attained to the character of territorial war in the sense of the law of nations, is simply another method of saying that the possession of the United States was not complete and to contradict the decision of this Court to that effect.

If the country was hostile country it is because it was controlled by or possessed in whole or in part by those exercising a jurisdiction other than that of the United States.

Manila, on that assumption, not then being in the complete possession of the United States, the territory held by the Filipino belligerents would be, in international law, a foreign country and the President as Commander-in-Chief might then tax commerce between it and the United States; but the Philippines, including necessarily Manila, have been held to be in the complete possession of the United States, and therefore we must respectfully insist that the position taken by the Government in this case has already been completely repudiated.

5. *The contention of the Government and ruling of the Court of Claims that Manila was "hostile territory" after the ratification, is wholly unsound.*

That "Hostile Territory" is territory which for the time is under the domination of another power, and therefore for the time foreign territory, is an accepted doctrine in our jurisprudence relating to international law. Such territory is foreign territory to the extent that obedience of its inhabitants to the temporary holder is exacted and sanctioned as a proper submission to the *de facto* sovereign.

This point is settled by the decisions of this Court arising during our Civil War and in the War of 1812.

In the Prize Cases, 2 Black, 635, at 673-4, this Court says:

> "The ports and territory of each of these States "are held in hostility to the General Government. "*It is no loose unorganized insurrection,* having no "defined boundary or possession. It has a boundary "marked by lines of bayonets and which can be "crossed only by force—south of this line is enemies' "territory, because it is claimed and *held in posses-* "*sion by an organized hostile and belligerent* "*power.*"

In Coleman *v.* Tennessee, 97 U. S., 517, this Court says:

> "The doctrine of international law on the effect of "military occupation of enemy's territory upon its "former laws is well established. Though the late "war was not between independent nations, but be- "tween different portions of the same nation, *yet* "*having taken the proportions of a territorial war,* "*the insurgents having become formidable enough* "*to be recognized as belligerents, the same doctrine* "*must be held to apply.*"

In other words, there was in Tennessee some power which could make laws and could act for its own people in a distinct designated territory. Unless there was some such power recognized by the United States in the Philippines, the disorders there existing had not yet attained to the dignity of war. The Government invokes rules of International law, but until insurgents ripen into belligerents there can be no basis for the application of International law. The Filipino insurgents have never been recognized as belligerents, but (as held by Supreme Court in Fourteen Diamond Rings), the President has simply been

"preserving order and suppressing insurrection in "the territory of the United States," and "its legal "title and *possession* (of the latter), remain unaf- "fected."

But even during the Civil War, where the enemy was a recognized belligerent, the commander of the Union forces would not have had the right, upon the capture of a port from the Confederate forces, to impose duties upon imports from a Union port.

This is clearly brought out by Mr. Justice Brown's illustration, *Dooley Case,* 182 U. S., at 234, that during our Civil War a military commander in a Southern port could hardly impose duties upon merchandise arriving from ports of his own country (*supra,* p. 9).

But in the case of Manila, the military commander had far less right to impose duties after the ratification of the treaty than in the hypothetical case during the Civil War, for Manila *was never in the possession of the insurgents* and was never after the ratification "captured territory."

Birkhimer, in his work on Military Government and Martial Law (p. 53), says:

"Districts occupied by rebels TREATED AS BELLIGER- "ENTS are in contemplation of law, foreign. The "same principles govern intercourse therewith dur- "ing military occupation as though they belonged to "an independent belligerent. *They are enemy's ter- "ritory because they are held by a hostile military "force.*"

In the Castine case, speaking of the hostile occupation of Castine by the British during the War of 1812, this Court says:

"Castine was *therefore* during this period *so far* "*as respected our revenue laws to be deemed* "*a foreign port,* and goods imported into it "by the inhabitants were subject to such duties only "as the British Government chose to require. Such "goods were in no correct sense imported into the "United States."

U. S. *v.* Rice, 4 Wheat., 246, 254.

"By the conquest and occupation of Castine that "territory passed under the *allegiance and sover-* "*eignty of the enemy.*" * * *

U. S. v. *Haywood,* Story, *J.,* Fed. Cases, No. 15336, Vol. 26, p. 246.

The situation cannot be better summed up than by a comparison of the doctrine laid down in the *Fourteen Diamond Rings,* 183 U. S., 176 (*supra,* p. 15), with the doctrine laid down in the opinion of the Court of Claims.

The Court of Claims (Finding XI, p. 17), finds as a fact:

"The result of this insurrectionary movement and "the armed hostilities against the United States in "the Philippine Islands growing out of the same as "above described was a state of war throughout the "Philippine Islands which continued until July 4th. "1902, when the same was officially declared to be at "an end. *During this time said Islands were hos-* "*tile territory.*"

And states in the opinion:

"At the time the ratifications of the Treaty of "Peace were exchanged the Treaty had thereafter "the force of law, but by reason of the war existing "in the Islands at the time it failed to become effec- "tive *and it, as well as all other merely civil law, was*

"*suspended and superseded by military law* until "such time as it might be possible to put the treaty "and civil law in force, and establish proper admin- "istrative and judicial authorities to administer and "enforce the same. The vital point is that until the "military forces of the United States had suppressed "armed resistance against its authority and *estab-* "*lished its sovereignty in the Islands the Govern-* "*ment could not give the effect to the Treaty* con- "templated by the high contracting parties." (Warner-Barnes Record, pp. 21 & 22.)

This was not the real situation. The real situation was in the language of this Court in the *Diamond Rings*, that the Government was "preserving order and sup- "pressing insurrection *in territory of the United* "*States;*" to this end they could and did exercise the rights of martial law in controlling not only trade *with the insurgents* but all communication or even correspondence with them. (Gen. McArthur's Proclamation, Dec. 20, 1900; War Department Reports, June 30, 1901; Report of Lieutenant-General, Part II, p. 91.)

There is no evidence that any such restriction was ever placed or intended to be placed upon the importation of merchandise from the United States into the Port of Manila, and the exactions now complained of must rest solely upon the right of a military conqueror to collect the contributions theretofore payable to the sovereignty whose country is so occupied.

6. *The facts as to the extent and nature of the insurrection as found by the Court of Claims in the Warner, Barnes case and as alleged in the answer in the Lincoln case are contrary to historical facts of which this Court takes judicial notice.*

As the President in his annual message to Congress, in 1899, says:

"In this manner (the Treaty of Paris and the pay-
"ment of the sum of twenty million dollars under
"the Act of March 2, 1899) the Philippines came to
"the United States. The Islands were ceded by the
"Government of Spain, *which had been in undis-*
"*puted possession of them for centuries. They*
"*were accepted* not merely by our authorized com-
"missioners in power under the order of the Execu-
"tive, *but by the constitutional and well-considered*
"*action of the representatives of the people of the*
"*United States* in both Houses of Congress. I had
"every reason to believe and still believe the transfer
"of sovereignty was in accordance with the wishes
"and aspirations of the great mass of the Philip-
"pine people. * * * In my order of the 19th of
"May, 1898, the commander of the military expedi-
"tion dispatched to the Philippines was instructed to
"declare that we came not to make war upon the
"people of that country, 'nor upon any party or
"faction among them, but to protect them in their
"homes, in their employments and in their personal
"and religious rights.' That there should be no
"doubt as to the paramount authority there, on the
"17th of August, it was directed that *'there must be*
"*no joint occupation with the insurgents;'* that the
"United States must preserve the peace and protect
"persons and property within the territory occupied
"by their military and naval forces; that the in-
"surgents and all others must recognize the military
"occupation and authority of the United States. As
"early as December 4, before the cession, and in
"anticipation of that event, the commander in
"Manila was urged to restore peace and tranquility
"and to undertake the establishment of a beneficent
"government which should afford the fullest security
"for life and property.

"On the 21st of December, after the treaty was "signed, the commander of the forces of occupation "was instructed 'to announce and proclaim in the "most public manner that we come not as invaders "and conquerors, but as friends to protect the "natives in their homes, in their employments and in "their personal and religious rights.' * * *

"But before their (the Philippine Commission's) "arrival at Manila, the sinister ambition of a few "leaders of the Filipinos had created a situation full "of embarrassment for us and most grievous in its "consequences to themselves. The clear and im- "partial preliminary report of the Commissioners, "which I transmit herewith gives so lucid and com- "prehensive a history of the present insurrectionary "movement that the story need not be here repeated (pages 44 and 45).

"* * * No sooner had our army captured "Manila than the Filipino forces began to assume an "attitude of suspicion and hostility which the utmost "efforts of our officers and troops were unable to "disarm or modify. * * * On the night of Feb- "ruary 22d * * * considerable numbers of "armed insurgents entered the city by waterways "and swamps and in concert with confederates in- "side attempted to destroy Manila by fire. They "were kept in check during the night and the next "day *driven out of the city* with heavy loss" (page 46).

"Everything indicates that with the speedy sup- "pression of the Tagalog rebellion life in the archi- "pelago will soon resume its ordinary course under "the protection of our sovereignty, and the people of "these favored islands will enjoy a prosperity and "freedom which they have never before known.

"Already hundreds of schools are open and filled "with children. Religious freedom is sacredly as- "sured and enjoyed.

"*The courts are dispensing justice.* Business is

"beginning to circulate in its accustomed channels. "Manila, whose inhabitants were fleeing to the coun- "try a few months ago, *is now a populous and thriv- "ing mart of commerce.* * * * *The islands lie "under the shelter of our flag. They are ours by "every title of law and equity.* They cannot be "abandoned. If we desert them we leave them at "once to anarchy and finally to barbarism. * * * "The suggestion has been made that we could re- "nounce our authority over the islands and, giving "them independence, could retain a protectorate "over them. * * * Such an arrangement would "involve at the outset a cruel breach of faith. *It "would place the peaceable and loyal majority, who "ask nothing better than to accept our authority, at "the mercy of the minority of armed insurgents* (p. 51).

"* * * Until Congress shall have made known "the formal expression of its will, I shall use the "authority vested in me by the Constitution and "the statutes *to uphold the sovereignty of the United "States* in those distant islands *as in all other places "where our flag rightfully floats"* (page 51).

"* * * No effort will be spared to build up "the waste places desolated by war and by long years "of misgovernment. We shall not wait for the end "of strife to begin the beneficent work. *We shall "continue* as we have begun, to open the schools and "the churches, to set the courts in operation, *to "foster industry and trade*, and agriculture, and in "every way in our power to make these people whom "Providence has brought within our jurisdiction feel "that it is their liberty and not our power, their "welfare and not our gain, we are seeking to en- "hance" (page 52).

The Secretary of War, in his Report, 1899:

"It is probable that at any time a column of troops "*could have been put anywhere on the island of*

"*Luzon as against any resistance which the insur-*
"*gents could have offered,* * * * but there were
"not the troops necessary to garrison the towns or
"to maintain any far extended line of communica-
"tion. No attempt was made accordingly to occupy
"the country *except in the vicinity of Manila,* etc.

"On the 11th of February (1899) the City of Iloilo,
"on the Island of Panay, the second port of the
"Philippines in importance, was occupied (pp. 6, 7).
"* * * On the north of our line stretched the
"great plain of Central Luzon, extending north from
"Manila almost 120 miles. * * * In this terri-
"tory Aguinaldo exercised a military dictatorship,
"and with a so-called cabinet *imitated* the forms of
"civil government, etc. * * * (pp. 8, 9).

"On the 24th of November (1899), Gen. Otis was
"able to telegraph to the Department as follows:

"'*Claim to government by insurgents can be made*
"'*no longer under any fiction. Its Treasurer, Sec-*
"'*retary of the Interior and President of Congress*
"'*in our hands, its President and remaining cabinet*
"'*officers in hiding, evidently in different central*
"'*Luzon provinces; its generals and troops in small*
"'*bands scattered through these provinces acting*
"'*as banditti or dispersed playing the role of*
"'*Amigos with arms concealed*' (p. 10).

"Since that time our troops have been actively
"pursuing the flying and scattered bands of in-
"surgents, further dispersing them, making many
"prisoners and releasing many Spanish prisoners
(p. 10).

"It is gratifying to know that as our troops got
"away from the immediate vicinity of Manila, they
"found the natives exceedingly friendly, and both
"men and animals were able to live upon the country,
"etc.

"This was doubtless due in some measure to the
"fact that the Pampangos, etc., and the Pangasi-
"nanes, etc., are unfriendly to the Tagalogs, and

"had simply submitted to the *military domination "of that tribe* from which they were glad to be re- "lieved.

"This is emphasized by a report from General "Wheaton, that he had been obliged to guard the "wife and infant son of Aguinaldo to prevent the "natives from killing them (p. 11).

"Wherever the permanent occupation of our "troops has extended in the Philippine Islands civil "law has been immediately put in force. The courts "have been organized and the most competent and "learned native lawyers have been appointed to pre- "side over them.

"A system of education has been introduced and "many schools have been established. *It is believed "that in the City of Manila a greater number of "good schools, affording better facilities for primary "instruction, exist to-day than at any previous time "in the history of the City"* (p. 12).

The public facts upon which these cases rest are no other than the facts known to and considered by the Court in the *Diamond Rings* case and the doctrine of that case is conclusive of the present controversy.

7. Congress has not ratified the collection of the duties involved in these cases.

In the Warner-Barnes case, the Court below (Rec., p. 23) referred to the Act of July 1, 1902, 32 Stats., 692, Section 2, under which the Government claimed in that Court, and will doubtless urge here, that the collection of the duties in suit was ratified by Congress.

The petition in the Warner-Barnes case was filed January 18th, 1902 (Record, page 1), nearly six months before the passage of that Act, and the petition in the Lincoln case was filed March 29, 1902 (Record, page 8).

If, as we claim, the original exaction of the duties was illegal, then the claimants, upon filing their petition under existing law, acquired a vested right to their recovery, which could not be taken away by subsequent legislation (*DeLima* v. *Bidwell,* 182 U. S., at 199).

But the language of the Act does not bear the construction claimed for it by the Government.

The section in question reads as follows:

> "That the action of the President of the United "States heretofore taken *by virtue of the authority* "*vested in him as Commander-in-chief of the army* "*and navy, as set forth in his order of July 12th,* "*1898,* whereby a tariff of duties and taxes, *as set* "*forth by said order,* was to be levied and collected "at all ports and places in the Philippine Islands up- "on passing into the occupation and possession of the "forces of the United States, together with the sub- "sequent amendments of said order, are hereby ap- "proved, ratified and confirmed, and the actions of "the authorities of the Government of the Philippine "Islands *taken in accordance with the provisions of* "*said order,* and subsequent amendments, are hereby "approved."

The Court will note that the Act of Congress does not in express terms ratify the collection of duties upon imports from the United States, but only ratifies the action of the President, whereby a tariff of duties, *as set forth by the order,* was to be collected, and the actions of the local authorities taken in *accordance with the provisions of said order.* As we have seen above at pages 12 and 13, the terms of the Philippine order are substantially identical with those of the Porto Rican order. The Porto Rican order has been judicially construed by this Court in the first Dooley case to authorize the collection of

duties on imports from the United States only up to the time when the treaty was ratified. The Philippine order must, as we have said, necessarily be similarly construed. The President did not at any time by any order subsequent to April 11, 1899, the date of the ratification of the treaty, expressly declare that importations from the United States were included within the terms of the order of July 12, 1898, nor did he promulgate any further order when this Court on May 27th, 1901, declared the proper construction of the similar Porto Rican order. Moreover, more than a year before the passage of this Act, this Court had decided in the Dooley case (182 U. S., at 236), that the authority vested in the President, as commander in chief, did not extend to the enforcement of a tariff, after the ratification, against merchandise from the United States. Therefore the ratification by Congress of the "action of the President * * * taken by virtue of the authority vested in him as Commander-in-chief of the army and navy," did not by its own terms include action *taken by the President beyond his authority as Commander-in-chief.*

It is well settled that where Congress re-enacts a former statute, which has been judicially construed, it is presumed that Congress adopts the judicial construction of the former act, so when Congress ratifies that which has been done by virtue of the authority vested in the President and in accordance with the provisions of an Executive order, and this Court has previously stated the extent of this authority and construed the language of the order, it must be presumed that Congress intended to adopt in its ratification the judicial construction which the Executive order had received and that Congress knew the extent and limitations of the authority vested in the Com-

mander-in-Chief as decided by this Court. Therefore the only legal effect of this ratification is that so much of the order of July 12, 1898, as imposed duties upon imports into the Philippines from foreign countries (and the United States prior to April 11, 1899, was with respect to the Philippines a foreign country) is ratified and the collection of duties thereunder legalized. It would be a forced and strained construction of the act to hold that Congress intended by indirection to give to the President retroactively a power which this Court had held that he did not possess and to overthrow the construction which this Court had placed upon the identical language in the Porto Rican Act.

The supposed act of ratification by Congress therefore has no bearing upon either the construction of the order of the President under which the duties in suit were collected nor upon the question of the power of the President to impose these duties.

POINT II.

THE JUDGMENTS BELOW SHOULD BE REVERSED.

All of which is respectfully submitted.

February, 1905.

PAUL FULLER,
FREDERIC R. COUDERT,
HENRY M. WARD,
Counsel for Plaintiffs
in Error and Appellant.

IN THE

Supreme Court of the United States.

OCTOBER TERM, 1904.

WARNER BARNES & CO., LIMITED,
Appellants,
v.
THE UNITED STATES.
} No. 466.

Brief of Herbert & Micou,

Representing Certain Claimants Having Interests Similar to Those of Appellants.

Statement.

The clients we represent are some of them United States citizens, some natural persons subjects of governments permitting themselves to be sued by citizens of the United States, and one a corporation incorporated under the laws of Great Britain. They claim for duties collected at Manila, P. I., under protest, between April 11, 1899, and March 8, 1902, upon goods, wares and merchandise of the growth, produce and manufacture of the United States, and brought from the United States, and are directly interested in your decision upon the orders enforced at the port of Manila from April 11, 1899, to March 8, 1902.

Claimants in the case of record did, by their counsel, after the finding of facts by the Court of Claims, request said court to amend and supplement said findings (pp. 24–

27, Rec.), which request was overruled, and an appeal taken. Whether the court should have made these amended and supplemental findings, asked and refused, is therefore so raised in the record that this court can pass upon that question.

Mahan v. *United States*, 14 Wall. 109.
United States v. *Driscoll*, 95 U. S. 347.

BRIEF AND ARGUMENT.

As to the preliminary question, whether a corporation incorporated under the laws of Great Britain can sue in the Court of Claims, the court below in this case has found that it can, and the trend of authority clearly sustains that view.

Barrow Steam Ship Co. v. *Kane*, 170 U. S. 110, 111, and authorities there cited.

This court has thoroughly and recently settled the law of this case, in the Insular cases, and we need only consider the differences counsel for defendants attempt to make between the Porto Rican cases and the case in question.

Attempted Distinction, on the Ground that the Philippines Were Hostile Territory.

Defendants admit, what was decided by this court in the *Diamond Rings* case, that when the treaty between Spain and the United States became effective the Philippine Islands ceased to be Spanish and passed under the sovereignty and dominion of the United States; but they contend that such islands remained hostile territory, and that that fact gave a right to levy duties in the Philippines upon goods coming from the United States, though this court has said no such right existed in Porto Rico.

The Insular cases and authorities there cited establish the following:

That this court has never sustained the right by executive order to levy duty upon goods coming from the United States, except within foreign territory. The distinction made has uniformly been between domestic territory and foreign territory. Where the right so to levy duty has been sustained the territory has frequently been hostile, but this court has never based the right on that fact but only on the fact that the territory was foreign.

Mr. Justice Brown in the *Dooley* case says:

"For instance, it is clear that while a military commander during the civil war was in the occupation of a southern port he could impose duties upon merchandise arriving from abroad, it would hardly be contended that he could also impose duties upon merchandise arriving from ports of his own country. His power to administer would be absolute, but his power to legislate would not be without certain restriction—in other words, they would not extend beyond the necessities of the case."

182 U. S. 234.

In the court below there was much oral contention over this statement, counsel for defendants contending that it made for them, for the reason that the necessities of the case in the Philippines removed the restrictions on the military authority to legislate. We do not presume that this court spoke unadvisedly when it used this illustration of a southern port, and meant that in a case nothing like so strong as the illustration, the necessities could so remove restrictions upon the power to legislate as to permit a military commander to impose, in domestic territory, duty upon goods brought from the United States, even if it meant that the court conceived there would ever be such necessities of a case as would permit this.

The Southern States had a *de facto* government in abso-

lute control of definite hostile territory; but the Southern States were not foreign territory. The illustration makes most plain the distinction between the rights of a military commander on foreign and on only hostile territory, for the court says it is clear that in the occupation of a southern port he could impose duties upon merchandise arriving from abroad, yet it would hardly be contended that he could impose such duties upon merchandise brought from his own country. This very thing that the court there said would hardly be contended for, the defendants are contending for here.

Dooley v. *United States*, from which comes the statement quoted, cites with approval the decision years before by the Supreme Court, that goods brought from the United States into the port of Tampico, Mexico, when we were occupying that port, were subject to duty. Why should the court cite that case with approval and yet say it would hardly be contended that the same thing could have been done at a southern port during the civil war? For the very obvious reason that the South was not foreign territory. The South was just as much hostile territory as was Mexico, and if the true distinction be between domestic and hostile territory, and not between domestic territory and foreign territory, then the illustration so aptly used of a southern port not only meant nothing but was wrong. But that has never been the distinction. As decided in the *Dooley* case, duties levied in Porto Rico on goods brought from the United States were sustained during the time that Porto Rico was Spanish territory, while duties continued to be levied under the same orders after Porto Rico was ceded to this country were held to have been improperly collected.

The Court of Claims undertakes to find as a fact that there was a war in the Philippines and that the islands were hostile territory. That is immaterial so long as the

Philippines had ceased to be foreign territory, and it has been decided that they did so cease when the treaty went into effect, in the *Diamond Rings* case.

The finding that there was war in the Philippines, as shown by the facts cited to sustain this conclusion, is based very much upon the idea of war in a material sense, as contradistinguished from war in a legal sense. It is too well established to require citation of authority, that the determination of the existence of war in a legal sense is not a question for the courts but for the political department of the Government. The concentration of troops in the Philippine Islands and their efforts to suppress insurrection no one will deny, but we do not presume this court would entertain for a moment the idea that the political department of this government ever recognized a state of war between this country and the insurgents in the Philippine Islands. In fact, we consider that this court has already disposed of that question, as likewise of the question that a distinction exists because of hostilities between the situation in the Philippine Islands and in Porto Rico, so far as affects the levying of duties upon goods coming from the United States.

"It is further contended that a distinction exists in that while complete possession of Porto Rico was taken by the United States this was not so as to the Philippines, because of the armed resistance of the native inhabitants to a greater or less extent.

"We must decline to assume that the Government wishes thus to disparage the title of the United States, or to place itself in the position of waging a war of conquest.

"The sovereignty of Spain over the Philippines and possession under claim of title had existed for a long series of years prior to the war with the United States. The fact that there were insurrections against her, or that uncivilized tribes may have defied her will did not affect

the validity of her title. She granted the islands to the United States and the grantee in accepting them took nothing less than the whole grant.

"If those in insurrection against Spain continued in insurrection against the United States, the legal title and possession of the latter remained unaffected.

"We do not understand that it is claimed that in carrying on pending hostilities the Government is seeking to subjugate the people of another country, but on the contrary, that it is preserving order and suppressing insurrection in territory of the United States. It follows that the possession of the United States is adequate possession under legal title, and this can not be asserted for one purpose and denied for another. We dismiss the suggested distinction as untenable."

The Diamond Rings Case, 183 U. S. 180.

Now what more is this contention, that the Philippines is hostile territory, than the same that was made in the *Diamond Rings* case, and of which the court said:

"We dismiss the suggested distinction as untenable"?

The Duties Were Never Levied in Hostile Territory.

The request for amendment to the finding of facts by the court below, which, as already stated, are properly here for review, include the following:

"Twenty-second: Manila was never in the possession of the insurgents." (P. 25, Rec.).

This fact herein requested to be found, is of too common knowledge for dispute. The world knows it to be true, and the point we make is:

Even if the court had not dismissed, in the *Diamond Rings* case, as untenable, the argument that there is a distinction to be made in the Philippines because there there was hostile territory, and it be the occupancy of hostile

territory and not foreign territory that gives the right to levy duties under military orders, the hostile territory theory would still not be applicable here, the duties never having been levied in hostile territory.

In occupying the city and port of Manila after the treaty of peace, we were not occupying hostile territory. The present case is as much stronger, as it is different from, the illustration used by *Mr. Justice* Brown in the *Dooley* case, of a southern port. Long before, and at the time of the treaty of peace with Spain became effective, the United States had taken possession of the port and city of Manila, and that port and city have been in our undisputed possession ever since. Our possession actual and accompanied by occupancy began when we took the port and city from Spain. This possession by occupancy in time of war when the treaty of peace went into effect became absolute.

This court has said :

"The Philippines were not simply occupied, but acquired, and having been granted and delivered to the United States, by their former master, were no longer under the sovereignty of any foreign nation. * * * The Philippines thereby ceased, in the language of the treaty, 'to be Spanish'; ceasing to be Spanish, they ceased to be foreign country. They came under the complete and absolute sovereignty and dominion of the United States, and so became territory of the United States over which civil government could be established. The result was the same although there was no stipulation that the native inhabitants should be incorporated into the body politic and none securing to them the right to change their nationality. Their allegiance became due to the United States, and they became entitled to its protection."

The Diamond Rings Case, 183 U. S. 178, 179.

Now if at the time that the Philippines ceased to be foreign and became domestic territory, or if after then

the insurrection in the islands ever reached proportions where there was a *de facto* insurrectionary government, possessing a fixed or otherwise hostile territory, the city and port of Manila never was within the limits of such *de facto* government's hostile territory. The illustration of a southern port that was hostile territory being taken and occupied by Federal troops does not apply here at all. This is the case of a port that was never, during the time it is claimed there was a war between the United States and the Filipinos, within territory hostile to the United States. The illustration that would apply here would be:

During the civil war, with hostile territory to the southward, could a military commandant at, say the port of Baltimore, have levied duty upon goods coming into that port from New York? This is precisely the right that is being contended for here. Counsel say Manila was full of insurgent sympathizers. Baltimore was intensely Southern in its sympathies. Many of its citizens were regarded with suspicion; but Baltimore was never in hostile territory, and the fact that to the southward was hostile territory could not have given to a military commander the right to levy duties upon goods brought from New York to Baltimore.

Counsel have contended Manila was a base of supplies for carrying on military operations against the insurgents. San Francisco also was a base of supplies for these operations. It was from there that troops were sent and supplies shipped, but that could give no right to have levied at San Francisco a duty upon goods coming from New York.

Orders Under Which These Duties Were Collected.

ORDER OF JULY 12, 1898:

This order was issued during the war with Spain. October 13, 1898, its operation was by an order of the

President suspended, but went into effect again November 15, 1898, and continued thereafter in force, except as modified by certain amendments thereof, made by the order of the President. This order was in force at the time of the making of the treaty, the ratification thereof, and until November 15, 1901. In the court below counsel for defendants seemed to assume that in disputing the right to levy duties under this order after the Philippine Islands ceased to be foreign and became domestic territory, that we were in some way disputing the right of the President, after a country that had been foreign had been ceded to us by treaty, to rule that country and to enforce laws there until Congress should legislate. We are not disputing that right of the President at all. That he has such a right is distinctly declared in the *Dooley* case and is recognized in other cases cited in the Insular cases. The order of the President was not done away with by the treaty. The change that was wrought by the treaty was merely this: Up to the time that it became effective the Philippines were, as to the United States, foreign territory and goods coming into the Philippines from the United States came from foreign territory. This order was therefore enforceable against such goods; but when the treaty became effective the relations of the Philippines to us were changed. The islands became domestic territory, the United States ceased, as to them, to be a foreign country, and the goods coming in from the United States no longer came from a foreign country; and therefore as against such goods the order could not be enforced. It, however, still stood, and was enforceable on goods that came from Germany, or France, or Austria, or from any country that was still foreign to the Philippine Islands. The very same thing was passed upon in the *Porto Rican* case. The order, substantially the same, of January 20, 1899, issued by the President, continued to be enforced after the

cession of Porto Rico to the United States, and this court had no difficulty in finding that it was enforceable against the United States just so long as the United States was foreign territory to Porto Rico, but that it was no longer enforceable as soon as Porto Rico ceased to be such foreign territory, and that, without doing any violence whatever to the right of the President to rule Porto Rico and enforce laws there after it was ceded to us, until such time as Congress should legislate upon the subject.

GENERAL ORDER No 49:

This is the first amendment of the Order of July 12, 1898. It was made by the military authorities in the Philippines and is merely a modification of schedules under the previous order. Under this modification duties were levied from October 23, 1899, to November 15, 1901. As to its effect upon duties levied on goods coming from the United States, it stands on precisely the same footing as the order of July 12, 1898.

TARIFF REVISION LAW OF 1901:

This is the next amendment. September 17, 1901, under instructions given by the President April 7, 1900, the Philippine Commission passed what it called the tariff revision law of 1901, which went into effect November 15, 1901, and under which duties were levied until March 8, 1902. This was a change of rates and it was made under instructions from the President contained in a letter to the Secretary of War for the guidance of the Philippine Commission. Said letter stated that so long as the insurrection continued the military arm must necessarily be supreme and instructed the commission to report to the Secretary of War, and that its actions would be subject to his approval. In this letter the President said:

"Upon every division and branch of the Government therefore must be imposed these inviolable rules:

"That no person shall be deprived of life, liberty or property without due process of law; that private property shall not be taken for public use without just compensation." (Report of the War Department, Vol. I, part X, p. 8.)

It should here be stated that ~~while~~ what is commonly known as the Spooner Amendment was passed on March 2, 1901, ~~before~~ after the instructions above referred to of the President, of April 7th, and ~~consequently~~ before the Philippine Commission passed, September 17, 1901, the schedule of duties now under discussion, but that this tariff regulation was never passed by the Philippine Commission under any authority to legislate which it is sought to show was conferred upon the President by the Spooner Amendment. To show that this is the fact it is necessary to consider,

First, what this amendment was, and,

Second, what were the instructions of the President to the Commission.

This was the amendment:

"All military, civil and judicial powers"—

Where?—

"necessary to govern the Philippine Islands * * * shall, until otherwise provided for by Congress, be vested in such person and persons and shall be exercised in such manner as the President of the United States shall direct, for the establishment of civil government and for maintaining and protecting the inhabitants of said islands in the free enjoyment of their liberty, property and religion. * * *

"Until a permanent government shall have been established in said archipelago; all reports shall be made to Congress on or before the first day of each regular session, of all legislative acts and proceedings of the temporary government instituted under the provisions hereof."

Act March 2, 1901, 31 Stat. L. p. 910.

Now we contend that this act, so far as it attempted to confer upon the President all military, civil and judicial powers necessary to govern the Philippine Islands, was an attempt to delegate power to make the laws, a power necessarily involving a discretion as to what the laws shall be—precisely what this court has said can not be done.

"The true distinction," says Judge Ranney, "is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution."

Field v. *Clark*, 143 U. S. 649, holding that the latter power could be delegated but the former not.

When this amendment was under discussion in Congress it was contended that there was precedent for it in the legislation relative to the acquisition of Louisiana. A comparison, however, of the provisions shows a vital difference. The Louisiana statute read:

"That until the expiration of the present session of Congress, unless provision for the temporary government of said territory be sooner made by Congress, all military, civil and judicial power"—

Where?—

"*exercised by the officers of the existing government of the same* shall be vested in such person and persons, and shall be exercised in such manner as the President of the United States shall direct for maintaining and protecting the inhabitants of Louisiana in the free enjoyment of their liberty, property and religion."

2 Stat. L. p. 245.

What was vested in the President here was the exercise of military, civil and judicial powers of the existing government in Louisiana, a proper authority to confer upon him, because one that involved no discretion as to what

the law should be, a power which this court held, in the authority just cited, Congress could delegate to the Executive.

While the authority attempted to be conferred by the Spooner amendment was authority to make the law involving a discretion as to what the law should be, the very converse of the authority conferred in reference to Louisiana and an attempt to delegate just what the Supreme Court has said could not be delegated.

President McKinley, however, has removed entirely from the field of controversy the question of whether or not the Spooner amendment conferred upon him a proper authority, for he did not act under that amendment. In the report of the Secretary of War to the President November 27, 1901, the Secretary says, referring to the Spooner amendment:

"These provisions were immediately communicated to the Commission by cable, with the following instructions":—

(Now we specially ask the court to mark these instructions)

"'Until further orders government will continue under existing instructions and orders.'"

Thus while a copy of the amendment was sent out to the Commission, the President, through the Secretary of War, distinctly indicated to the Commission, not that it should proceed under these orders and legislate under the authority attempted to be conferred upon him by Congress, but until further orders that the government the Commission conducted would continue under existing instructions and orders. This eliminates the question that the President was proceeding under authority of Congress in the change of schedule which was made by the Philippine Commission.

It was proper that the provision enacted by Congress should be communicated immediately to the Commission, for besides the authority attempted to be conferred on the President, which by his direction to continue under existing instructions and orders he did not elect to proceed under, the provision contained information which the Commission should have. It provided that full reports of the acts and doings of said government, of conditions of the archipelago and of its people should be made to the President, including all information which might be useful to Congress in providing for a more permanent government. It also contained certain limitations absolutely binding upon the Commission and the President, relative to the sale, lease and disposition of public lands, timber thereon, or mining rights therein, and the granting of franchises.

Congress Has Not Attempted to Ratify the Collection of These Duties.

It is contended that if these duties were illegally levied and without authority on the part of the President, that the defect has been remedied by ratification by Congress of the President's act. We contend, waiving for the time being whether Congress could ratify such action, that the action taken by Congress, relied on to show a ratification, fails to show the same.

Any attempt by ratification to make legal acts which at the time they were committed were illegal, would be retroactive legislation, and subject to the familiar construction that no statute shall be construed to operate retroactively except where it is clear such operation was intended, and that all doubts should be solved against such intention.

The first legislation relied on as showing ratification is the following provision from the act of March 8, 1902, 32 Stat. L. 54 :

"That the provisions of an act entitled 'An Act to revise and amend the tariff laws of the Philippine archipelago,' enacted by the United States Philippine Commission on the seventeenth day of September, nineteen hundred and one, shall"—

What?—
Be ratified?—
Not at all, but merely shall

"be and remain in full force and effect, and there shall be levied, collected and paid upon all articles coming into the Philippine archipelago from the United States the rates of duty which are required by the said act to be levied, collected, and paid upon like articles imported from foreign countries into said archipelago."

This legislation does not ratify the action of the Executive in levying duties under the act of the Philippine Commission, passed September 17, 1901, previous to March 8, 1902, when this law was passed. It is nothing more than an adoption by Congress for the future, of the same rates of tariff that this Commission had adopted. Had Congress intended to ratify the duties that had been collected by this Commission under its order of September 17, 1901, previous to March 8, 1902, it is but fair to presume that Congress would have so said.

The next legislation relied on to show a ratification is the act of July 1, 1902, 32 Stat. L. 691. So much of that act as bears upon this subject is as follows:

"That the action of the President of the United States in creating the Philippine Commission and authorizing said Commission to exercise the powers of government to the extent and in the manner and form, and subject to the regulation and control set forth in the instructions of the President to the Philippine Commission, dated April 7, 1900,"—

(and then follows certain other matters with which we are not concerned, such as creating the offices of civil governor and vice-governor, the establishment of certain executive departments of government in the island)

"is hereby approved, ratified and confirmed."

Now, what Congress ratified and confirmed by this was the action of the President in authorizing the Commission to exercise the powers of government in the manner and form, and subject to the regulation and control *set forth in his instructions of April 7, 1900.* Congress was most careful in its statement to thus limit its ratification. Those instructions of April 7, 1900, were as follows:

"Upon every division and branch of the Government, therefore, must be imposed these inviolable rules:

"That no person shall be deprived of liberty, or of property, without due process of law. That private property shall not be taken for public use without just compensation."

Report of the War Department, 1901, Vol. 1, Part 10, p. 8.

Thus the President expressly instructed the Commission not to deprive any person of his property without due process of law, or to take private property without just compensation.

As will appear from authorities cited further on, when we discuss the power of Congress to ratify the action of the President, it will be seen—

1. That a cause of action arose as soon as these duties were levied.

2. That a cause of action is private property of which claimants can not be deprived without due process of law.

The President did not authorize the Commission to make and enforce an act that would have the effect to de-

prive a person of his property without due process of law, or to take such property for public use without just compensation; but he expressly ordered the Commission not so to do. Congress in the legislation under consideration expressly limited its ratification to the action of the President in authorizing the Commission

"to exercise the power of government to the extent, and in the manner and form, and subject to the regulation and control, set forth in the instructions of the President of April 7, 1900."

It therefore did not ratify any power exercised by the Commission which by those instructions the President had ordered the Commission not to exercise.

Congress certainly did not show an intention to ratify the levying of these duties. President McKinley in his conduct of the affairs in the Philippines had met an emergency, had met it ably, and as every one who meets an emergency does, had had to take responsibilities, and in so far as he had done acts which Congress in the first instance could have delegated to him to do, it was proper and right, and there was a demand that Congress should ratify those acts; and this is all and everything that Congress either did or attempted to do. Calling into question the validity of acts done by executive order in the emergency that existed in the Philippines in nowise reflects upon the very able manner in which the new problems arising there were met, either by the President, the War Department, or the Insular Bureau of that Department. The problems were new, the difficulties were many, and of a character that required prompt action as they arose. It could not be expected that the military arm of the Government was infallible, that it should not, with the many things it was called upon to do, make some honest mistakes as to the extent of its power. The

levying of a tariff in the Philippines was a necessary thing. The enforcement of that tariff against goods coming from the United States, as long as the Philippines was foreign territory, was a proper thing. The enforcement after the Philippines ceased to be foreign territory was a mistake of law, but not an unnatural mistake, not one that anybody should be censured for, but certainly a mistake which the Government should now make good by a refund of these duties.

The next legislation relied upon to show ratification is Section 2 of the Act of July 1, 1902, 32 Stat. L. p. 691.

"That the action of the President of the United States heretofore taken by virtue of the authority vested in him as Commander-in-Chief of the army and navy, as set forth in his order of July 12, 1898, whereby a tariff of duties and taxes as set forth by said order was to be levied and collected at all ports and places in the Philippine Islands, upon passing into the occupation and possession of the forces of the United States, together with the subsequent amendments of said act, are hereby ratified and confirmed, and the action of the authorities of the Government of the Philippine Islands taken in accordance with the provisions of said order and subsequent amendments, are hereby approved."

What is ratified and confirmed in the above legislation is the action of the President heretofore taken *by virtue of the authority vested in him as Commander-in-Chief of the army and navy.* The *Dooley* case settled beyond dispute that after the cession to us of the territory acquired under the treaty with Spain the right to levy duties in that territory on goods coming from the United States was no longer vested in the President as Commander-in-Chief.

"Different considerations apply with respect to duties levied after the ratification of the treaty and cession of the island to the United States. Porto Rico then ceased to be a foreign country, and, as we have just held in *De*

Lima v. *Bidwell*, the right of the collector of New York to exact duties upon imports from that island ceased with the exchange of ratifications. We have no doubt, however, that, from the necessities of the case, the right to administer the government of Porto Rico continued in the military commander after the ratification of the treaty, and until further action by Congress. (*Cross* v. *Harrison*, above cited.) At the same time, while the right to administer the government continued, the conclusion of the treaty of peace and the cession of the island to the United States were not without their significance. By that act Porto Rico ceased to be a foreign country, and the right to collect duties upon imports from that island ceased. We think the corelative right to exact duties upon importations from New York to Porto Rico also ceased. The spirit as well as the letter of the tariff laws admit of duties being levied by a military commander only upon importations from foreign countries; and while his power is necessarily despotic, this must be understood rather in an administrative than in a legislative sense. While in legislating for a conquered country he may disregard the laws of that country, he is not wholly above the laws of his own.

* * * * * * *

"Without questioning at all the original validity of the order imposing duties upon goods imported into Porto Rico from foreign countries, we think the proper construction of that order is, that it ceased to apply to goods imported from the United States from the moment the United States ceased to be a foreign country with respect to Porto Rico, and that until Congress otherwise constitutionally directed, such merchandise was entitled to free entry.

"An unlimited power on the part of the Commander-in-Chief to exact duties upon imports from the States might have placed Porto Rico in a most embarrassing situation. The ratification of the treaty and the cession of the island to us severed her connection with Spain, of which the island was no longer a colony, and with respect to which she had become a foreign country. The wall of the Spanish tariff was raised against her exports, the wall

of the military tariff against her imports, from the mother country. She received no compensation from her new relations with the United States. If her exports, upon arriving there, were still subject to the same duties as merchandise arriving from other foreign countries, while her imports from the United States were subjected to duties prescribed by the Commander-in-Chief, she would be placed in a position of practical isolation, which could not fail to be disastrous to the business and finances of an island. It had no manufactures or markets of its own, and was dependent upon the markets of other countries for the sale of her productions of coffee, sugar and tobacco. In our opinion, the authority of the President as Commander-in-Chief to exact duties upon imports from the United States ceased with the ratification of the treaty of peace, and her right to the free entry of goods from the ports of the United States continued until Congress should constitutionally legislate upon the subject." (182 U. S. 234 and 236.)

Here it is decided that the authority of the President, as Commander-in-Chief, to exact duties upon imports from the United States ceased when Porto Rico became domestic territory.

His authority likewise ceased also as to the Philippines, and no duties levied under the President's order there after that time was action taken by virtue of authority vested in him as Commander-in-Chief of the army and navy, and not so being is by the express wording of this act excluded from ratification.

It is to be observed in this legislation that the action of the authorities of the government of the Philippine Islands, taken in accordance with the President's order and the subsequent amendments—and it was the action of these authorities on which our claims are based—are not attempted to be ratified and confirmed by Congress at all; but as is stated, are merely approved.

In other words, Congress ratifies and confirms in ex-

press terms the action of the President taken by the authority vested in him as Commander-in-Chief, and it approves—not ratifies—the action of the authorities of the government of the Philippine Islands in so far, and no farther, as they executed the orders of the President given under the authority vested in him as Commander-in-Chief.

What this court is quoted above as having said relative to Porto Rico receiving no compensation from her new relations with the United States, and that if her exports upon arriving there were subject to the same duties as merchandise arriving from other foreign countries, while her imports from the United States were subject to duties prescribed by the Commander-in-Chief, she would be placed in a position of practical isolation which could not fail to be disastrous to the business and finances of the island, is equally applicable to the Philippines. Furthermore, this court has held, in the *Diamond Rings* case, that there is no right correlative to what the Government is contending for here and that duties can not be exacted in the United States upon goods brought from the Philippines.

Congress Was Without Power to Ratify an Unlawful Levying of These Duties.

1. Because it could not ratify an act of the President which it could not in the first instance have delegated to him to perform.

2. Because Congress cannot deprive claimants of their property without due process of law, nor take private property for public use without just compensation.

As to 1—

We have already discussed the distinction between delegating to the President the power to make the law

involving a discretion as to what that law shall be, and conferring upon him authority or discretion to execute the law. Congress can delegate the latter power, but not the former.

From the cases we will now quote, ratification rests upon authority in the first instance, in the ratifying body, to have authorized the act. If Congress could ratify an act of the President that it could not in the first instance authorize, the line would be gone, so clearly drawn by the Constitution, between the executive and legislative branches of the Government. That line would be as effectually passed by sustaining the ratification of an act Congress could not in the first instance have authorized, as by sustaining an attempted authorization in the first instance where power to authorize did not exist.

It was suggested in the court below that Congress having itself power to legislate, it could ratify what the President had done, on the principle of principal and agent. In other words, that the President was acting as agent for Congress. We contend the case does not come within the category of principal and agent at all. Without authority there can be no agency. What A in the role of principal has no power to authorize, if done by B, A could not afterwards ratify. The Constitution has separated legislative powers from executive. The legislature can not assume the role of principal and by ratification confer upon the Executive legislative powers. If the Executive assumes legislative powers belonging only to the legislative branch of the Government, he does not do so as the agent of the legislative branch. He never was its agent, never could be made its agent to exercise legislative powers (by previous authorization) and consequently could not become such agent by subsequent ratification. All the cases we are about to cite lay down

the rule that there is no power to ratify save where the power to authorize existed in the first instance.

"If Congress or the legislative assembly" (speaking of the old legislative assembly here of the District) "had the power to commit to the Board the duty of making improvements and to prescribe that the assessments should be made in the manner in which they were made, it had the power to ratify the act which it might have authorized."

Mattingley v. *District of Columbia*, 97 U. S. p. 689.

In this the leading case relied on by counsel on the subject of ratification, the power to ratify is made dependent entirely on the power to authorize in the first instance, and so in all the authorities.

"But the healing statute must in all cases be confined to validating acts *which the legislature might previously have authorized.* It can not make good retrospective acts or contracts which it had and could have no power to permit or sanction in advance."

Cooley's Constitutional Limitations, pp. 544, 545, 7th Ed.

"All the authorities agree, as is apparent without authority, that the legislature can not ratify what it can not authorize. For the exercise of the power implies legislative authority over the subject as well at the time of the curative statute as at the time of the enabling statute. Legislative jurisdiction of the subject is equally essential at both times; both statutes rest on *the present authority of the legislature to authorize the proceedings and to prescribe its details.* Surely a statute could not authorize a new proceeding or sanction an old one in a matter presently without the scope of legislative authority. We know of no *exception to the rule* that the power to do a thing, or to authorize it to be done *nunc pro tunc*, implies present right."

Kimball v. *The Town of Rosedale*, 42 Wis. 413.

"The legislature has not the power to levy an assessment not uniform and equal in an incorporated city, for the purpose of improving the streets, nor can it after an assessment has been made by the municipal authorities for such purpose which is void for want of uniformity and equality validate it."

Head Note, *People* v. *Lynch*, 51 Cal. 15.

"In *Sykes* v. *Mayor*, 55 Mississippi, 115, 137, it was held that, after the Constitution of 1869 took effect, the legislature could not, by retrospective enactment, make valid an issue of municipal bonds executed prior to the adoption of that instrument without legislative authority; because, said the court, 'the measure of its power was the Constitution of December, 1869, and it could not ratify an act previously done, *if at the date it professed to do so it could not confer power to do it in the first instance.* It could authorize a municipal loan conditionally. In order to ratify and legalize a loan previously made, it was bound by the constitutional limitation of its power.' Further, in the same case,—

"'The idea implied in the ratification of a municipal act performed without previous legislative authority is, that the ratifying communicates authority, which relates back to, and retrospectively vivifies and legalizes the act, as if the power had been previously given.'

"Such statute is of the same import as original authority. * * * If the Constitution had altogether denied to the legislature the delegation of such power to counties, cities, and towns, it is manifest that it could not vitalize and legalize a subscription made before its adoption, and without authority of law. If that be so, it follows that, in dealing with the subject at all, it is bound by the limitation of section 14 of Article 12 of the Constitution."

Grenada County v. *Brogden*, 112 U. S. 260–261.

Ratification by Congress of an act of legislation by the executive is as distinct a proposition from the power of Congress itself to legislate as the latter proposition is distinct from the power of Congress to delegate its right to

legislate to the executive in the first instance. A failure to observe this distinction would be every whit and bit as dangerous and lead to as disastrous a result as to sustain the view that Congress, because it can itself legislate, could delegate that power in the first instance to the executive.

2. *Because Congress can not deprive claimants of their property without due process of law, nor take private property for public use without just compensation.*

Article 5 of the amendments to the Constitution of the United States provides:

"That no person shall be * * * deprived of * * * property, without due process of law; nor shall private property be taken for public use without just compensation."

The right to bring these actions arose just as soon as these duties were improperly levied.

This right was property guaranteed to the claimants by the above provision of the Constitution, and Congress could not deprive them of it. This independently of the question whether Congress could ratify an act of the executive that it could not in the first instance have authorized, and whether it attempted to ratify such act.

"And this right to bring an action of law, in other words, a legal chose in action, constitutes a valuable kind of personal property."

Darlington on Personal Property, p. 107.

This court has held, in the case of an action sounding in tort, that a right of action was property.

Angele v. *Chicago, St. P. M. and O. R. Co.* 151 U. S. 138.

The New York Legislature passed an act giving to the wife certain property as her sole and separate property, which it was attempted to construe covered a legacy left

to her, so that the husband could not bring suit for the legacy. The husband sued for the legacy; and the court first discussing the right of the husband to reduce to possession the legacy left to his wife, holding he had such a right, then says:

"A right to reduce a chose in action to possession is one thing, and a right to the property which is the result of the process is another and a different thing. But they are both equally vested rights. The one is a vested right to obtain the thing, with the certainty of obtaining it by resorting to the necessary proceedings, unless there be a legal defense, and the other is a vested right to the thing after it has been obtained. * * * At the time that these proceedings were commenced there is no doubt that the husband could have legally assigned his right to reduce the legacy into possession for a valuable consideration. He was then entitled to receive the legacy as his own by taking the necessary legal proceedings, and he will now be entitled to receive it, unless the right which he then had has been legally taken away; and if that right has been taken away, he has lost a vested right of the value of the legacy in question. What, then, has been the effect of the act of 1848?

"The Constitution of this State declares that 'no person shall be deprived of * * * property without due process of law.' Due process of law undoubtedly means, in the due course of legal proceedings, according to those rules and forms which have been established for the protection of private rights. Such an act as the legislature may, in the uncontrolled exercise of its power, think fit to pass is, in no sense, the process of law designated by the Constitution. This construction has been heretofore adopted (*Taylor* v. *Porter*, 4th Hill, 140); and it is so obviously sound that the mere statement of it is sufficient. Its correctness can not be made more apparent by argument or illustration.

"I think that the right of the respondent to recover the legacy of his wife, which existed at the time the statute in reference to married women went into operation, was properly within the meaning of the Constitu-

tion, and that he has not been deprived of it by the statute."

Westervelt v. *Gregg*, 12th New York, 208–9.

And here is another case to which we especially call the attention of the court:

"But the denial by Congress, through a retrospective law, of all redress to a person whose property or liberty was illegally taken under a military order, is a mode of discharging obligations, which, however convenient is not reconcilable with the principles of the Constitution. The Constitution confides to Congress only legislative power, and that to be exercised only for specific purposes. When, therefore, it undertook to determine in 1863 and 1866, that no injury to person or property, committed prior to that time, gave to the injured party a vested right of action, if committed under a military order, it assumed a judicial function which it is not authorized to perform. Whether this plaintiff was illegally arrested and imprisoned in 1862, depends solely upon the acts done and the laws in force at that time; and these facts are to be determined by judicial investigation, and are facts which no act of Congress can change. If his personal liberty or property was illegally taken from him, then at once accrued to him a right to redress in the courts, which no subsequent act of Congress can take away. The rights of persons and property are equally secured by the constitutional provision borrowed from Magna Charta, that no person shall be deprived of them without due process of law. That Congress has no power, by its own act to divest these rights, is universally conceded, and we are unable to perceive the difference in principle between an act seeking to divest them directly and one providing that, where they have been divested by unlawful violence, no remedy shall be had against the wrong-doer."

Johnson v. *Jones*, 44 Illinois, 144, 162.

Another case:

"Our attention has been called to the following section

of the Act of Congress of March 3, 1863 (Acts of 1863, p. 154):

"'Sec. 4. *And be it further enacted*, That any order of the President, or under his authority, made at any time during the existence of the present rebellion, shall be a defense in all courts to any action or prosecution, civil or criminal, pending or to be commenced, for any search, seizure, arrest, or imprisonment, made, done, or committed, or acts omitted to be done, under and by virtue of such order, or under color of any law of Congress, and such defense may be made by special plea, or under the general issue.'"

Construing this, the court says:

"This act was passed to deprive the citizens of all redress for illegal arrests and imprisonments; it was not needed as a protection for making such as are legal, because the common law gives ample protection for making legal arrests and imprisonments. The question here arises, then, can Congress enact that the citizen shall have no redress for a violation of his rights, secured to him by the following provisions of the Constitution of the United States, viz: Amendments 4 and 5: 'The right of the people to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures, shall not be violated'; 'No person shall be deprived of his life, liberty, or property, without due process of law; nor shall private property be taken for public use without just compensation.'

"These sections prohibit the passage of a law by Congress authorizing the arrest of the citizen without just cause, because such arrest deprives him of his liberty. They also prohibit the passage of a law depriving him, or authorizing the depriving him of his property, except through a judicial sentence, or upon just compensation. * * * The right to damages to be recovered in a civil action, for false imprisonment, is a chose in action—is property—and passes to one's representatives at death, by the law of Indiana. *Gimble* v. *Smith*, 7 Ind., 527. Hence it is assignable. *Strong* v. *Clem*, 12 *id.*, 37.

Patterson v. *Crawford*, *id.*, 241, lays down the rule that such a right of action for a tort as would survive, is assignable, but overlooks the facts decided in *Gimble* v. *Smith*, *supra*, that the right of action for false imprisonment survives."

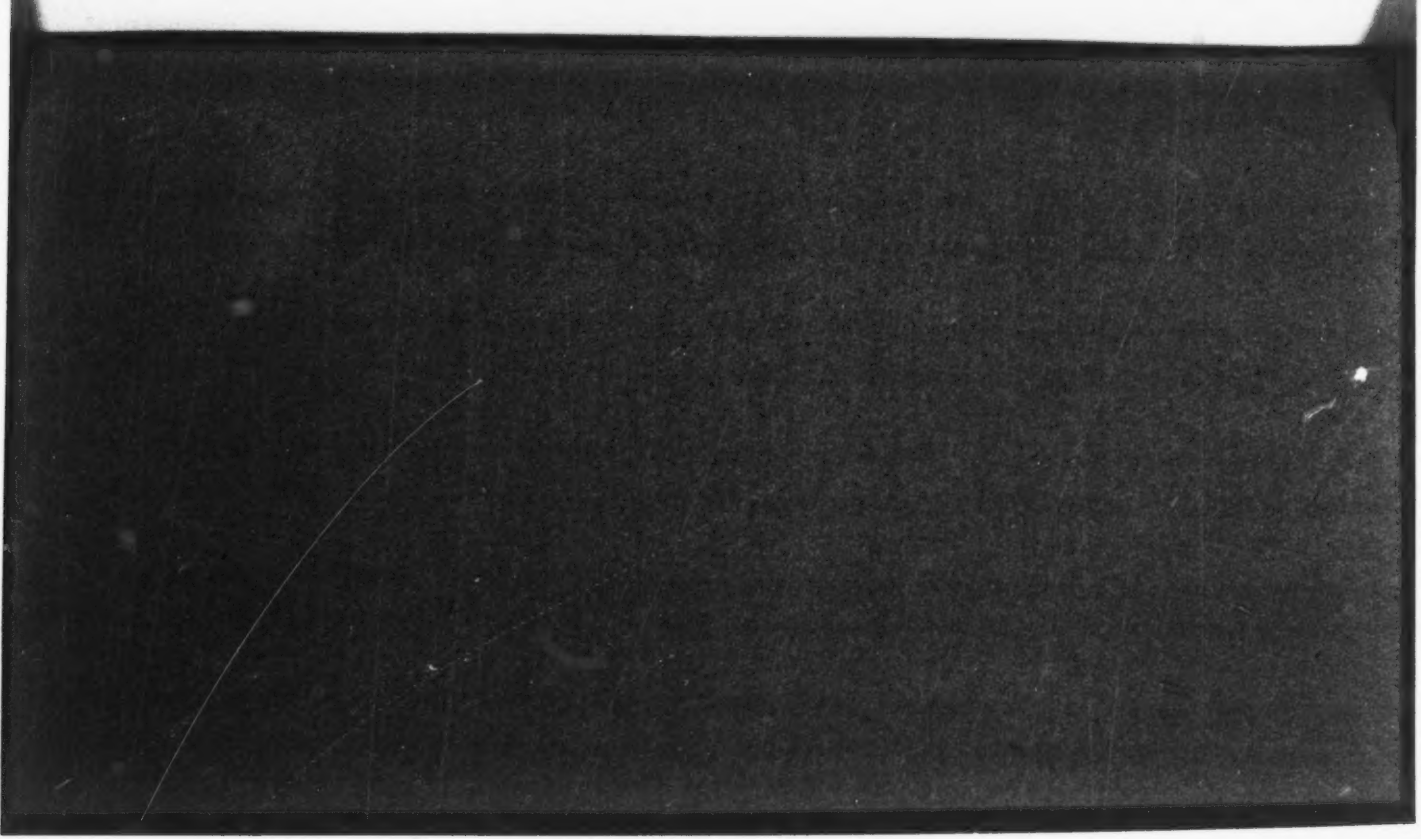
Griffin v. *Wilcox*, 21 Ind. 370.

The prohibition that no person shall be deprived of property without due process of law, nor shall private property be taken for public use without just compensation, refers to all the instrumentalities of the government, including the legislative authority and therefore is as binding upon Congress as upon any other of the instrumentalities of the government.

Chicago B. & Q. R. R. Co. v. *Chicago*, 166 U. S. 233–235.

H. A. HERBERT,
BENJAMIN MICOU,
Counsel.

February 23, 1905.



In the Supreme Court of the United States.

OCTOBER TERM, 1903.

FREDERICK W. LINCOLN AND OTHERS, trading as copartners under the firm name and style of H. W. Peabody & Co., plaintiffs in error, *v.* THE UNITED STATES, DEFENDANT IN error.	No. 491.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

SUGGESTION ON BEHALF OF THE UNITED STATES RESPECTING MOTION TO ADVANCE.

This is not the stage at which to indicate obvious points of jurisdiction respecting the peculiar function of the court below sitting as a court of claims, and the method of reaching this court under such circumstances by writ of error.

This is another Insular Customs case brought to recover the duties exacted in the Philippine Islands on goods entering those islands from the United States between December 13, 1900, and January 26, 1901. The duties were imposed under the provisions of "General Order No. 49"

of the United States military governor for the Philippine Islands, dated October 23, 1899, and the several orders amendatory thereof, while those orders remained in force, and before the revision of the tariff laws of those islands by the United States Philippine Commission of September 17, 1901, which took effect on November 15 thereafter. These duties were therefore exacted under the war power and prior to the passage of the Spooner resolution of March 2, 1901 (31 Stat., 910), the Philippine revenue act of March 8, 1902 (32 Stat., 54), and the act providing a civil government for the Philippines on July 1, 1902 (32 Stat., 691).

The single question is whether the duties were lawfully exacted under an order of the President as an exercise of the war power, while the port of Manila was in the actual possession of the United States, but while there was all about and beyond that immediate district a widespread and violent insurrection against the authority and the military forces of the United States. That insurrection has now been reduced by force of arms, and the particular order of the President is *functus officio*. The point involved has not indeed been fully considered, nor definitely decided. The status in the Philippines, however, has entirely changed. The exertion of the war power as such has completely ceased, and, continuing *sub modo* as police power, is now confined to sporadic outbreaks in remote and semi-civilized districts. Neither the

accomplishment of public policy nor the programme in administration—that is to say, no public rights—are dependent upon the prompt determination of the question before the court. The cause, therefore, may be of a certain general interest; it does not, however, involve grave public questions, but merely the claim of a private litigant to the refund of a certain sum of money, because, as alleged, it was illegally exacted.

I absolve counsel from any unwarrantable intention in stating to the court that the Attorney-General does not oppose the application, the statement being made under a misapprehension of the position of the Government. The Government does not consent, because it does not think the facts in the case, and the nature of the questions involved, demand advancement and prompt hearing and determination out of the regular order.

HENRY M. HOYT,
Solicitor-General.

O

I.

The situation in the Philippines.

There was not an ordinary revolt or mere insurrection; it was settled and serious rebellion. It was civil war so far as extent and duration are concerned. For a statement of the distinctions see sec. 10, Lieber's Instructions for the Government of our Armies in the Field. The Philippine insurrection was flagrant and widespread; it was rebellion, perhaps, rather than civil war, because those peoples in a remote territory had just come under our sovereignty and turned against the new dominion their existing revolution against Spain as soon as they realized that we would not be complaisant.

It is of no consequence that the warfare lulled at times and at one intervening period seemed to the commanders to be nearing the end; there was immediate renewal, and it was perceived through long experience that, defeated in masses and open engagements, the *insurrectos* deliberately systematized guerilla warfare. Not until after the formal declaration of the end of the insurrection did hostilities die out in sporadic instances of ladronism or brigandage. The facts are found and are irresistible. Indeed, they are patent to the knowledge of all as part of history. The court will take judicial notice of such events. (*Brown* v. *Piper*, 91 U. S., 37; *The Delaware*, 161 U. S., 472; *New York Indians* v. *United States*, 170 U. S., 32; *United States* v. *Rio Grande Dam and Irrigation Co.*, 174 U. S., 698.)

Whatever expressions may be found in reports showing the satisfaction of the Executive at the progress and prowess of our arms and the consequent gradual extension of civil government under the military authorities, it is certain from the public documents before the court and acts of Congress voting men and supplies, passed long prior to the express recognition in the Spooner amendment and the statutes of 1902, that both the Executive and legislature at all times realized and determined that war existed. A state of war prevailed and the exercise of the war power was necessary.

II.

The question and its limits.

The question is whether the duties exacted under the Executive order on imports into the Philippines from the United States are valid. There can be no doubt that they are for the period up to the ratification of the treaty with Spain, on the authority of *Dooley* v. *United States* (182 U. S., 222). Beyond that date the test is not whether the territory was domestic, but whether it was hostile. We insist that the territory being hostile in the real sense and flagrant degree which are notorious, the tariff was not only justifiable but was necessary as a war measure. We do not disparage our own title, and we do not come within the rule of the Diamond Rings case. There are essential differences between that duty on an importation *from* the domestic territory *into* the United States and a duty on an importation *into* that territory *from* the United

States. In the one case the war power was not involved. It was not even invoked. The Government's argument simply was that war prevailing, this fact rightly characterized the Philippines as foreign within the meaning of our tariff laws. In the present case it is the Philippine tariff which is presented resting on military necessity. Here we have the war power providing revenue, in and for the territory of occupation, for attaining its object, viz, suppression of resistance and the maintenance of civilized government. While the right to exact military contributions controls the case, these were not military contributions in the ordinary sense. They were not exactions for the benefit of this Government; they were not paid into the Treasury of the United States, but, on the contrary, vast appropriations came out of that Treasury to serve the same object. The Philippine collections went into the military chest not only to support our armies in the field and conduct campaigns, but to maintain the existing and steadily extending machinery of civil government. We disturbed what we found as little as possible and only so far as war compelled, and so through the various minor modifications of our military tariff and port regulations we continued substantially the Spanish tariff and system which we inherited. On the same theory we reestablished the previous civil order of administration and jurisprudence as fast as we overcome the warfare against us, and displaced the Philippine revolutionary civil government. This was in strict accordance with

the settled principles of international law. This was what the duties were needed for.

I submit that the Dooley case and the Diamond Rings case do not rule the present controversy, and, indeed, do not really touch it.

III.

The extent and nature of the executive authority; military contributions; commercial intercourse with hostiles; sovereign and belligerent powers; the controlling authorities.

The power of an executive government in the field is very absolute. It may totally forbid all commerciel intercourse or restrict it; it may exact contributions as idemnity, and of course to defray current expenses. The civilized way of doing so is by tariffs, as here, or other ordinary dues which are devoted to the military needs and the civil administration of the country. The executive may exact conditions for trading with a hostile territory. Importation under such circumstances is not a right but a privilege, which may be exercised only upon the conditions imposed. These are well-settled rules recognized by all the authorities. In the absence of statute, in our own case, the regulation and collection of such revenues devolves upon the President as Commander in Chief (2 Halleck Int Law, 3d ed., pp. 445–449). Halleck says:

> In the absence of any laws of Congress on this subject, the regulating and collecting of such revenues in enemy's territory in the possession of the United States devolves upon the

> President, as the constitutional Commander in Chief, and upon the military and naval officers under his direction. The moneys derived from these sources may be used for the support of the ~~military~~ government of the conquered territory or for the expenses of the war; they are war revenues and do not belong to the Treasury of the United States until so directed by a law of Congress. Being no part of the moneys of the Treasury of the United States, their expenditure is not regulated by the general laws of the United States, but by direction of the President of the United States, under whose authority they were collected.

These doctrines apply equally to foreign and civil wars. (*Matthews* v. *McStea*, 91 U. S., 7; 1 Kent's Com., p. 66; 1 Halleck Int. Law, p. 527.)

In *Matthews* v. *McStea*, speaking of the established rule that war puts an end to all commercial dealing between the citizens or subjects of the powers at war, the court said:

> Still further, it is undeniable that civil war brings with it all the consequences in this regard which attend upon and follow a state of foreign war. * * * Equally with foreign war, it renders commercial intercourse unlawful between the contending parties.

The authority of the President to prohibit entirely all commercial intercourse with territory affected by the insurrection without the prior assent of Congress was upheld in many cases arising during the civil war. If the President may wholly forbid such intercourse, it

can not be doubted that he may permit it under such restrictions and regulations as the exigencies of the particular situation may require.

The following decisions uphold the right of the Federal authorities to regulate or restrict trade with domestic territory in which a condition of war prevails as a result of insurrection: *United States* v. *Grossmayer*, 9 Wall., 72; *Hanger* v. *Abbott*, 6 Wall., 532; *McKee* v. *United States*, 8 Wall., 163; *The Prize Cases*, 2 Black, 635; *Hamilton* v. *Dillin*, 21 Wall., 73; *The Reform*, 3 Wall., 617; *The Sea Lion*, 5 Wall., 630; *The Ouachita Cotton*, 6 Wall, 521; *Coppell* v. *Hall*, 7 Wall., 542; *Mrs. Alexander's Cotton*, 2 Wall., 404.

In the *Prize Cases* the court sustained the right of the President during the civil war to institute a blockade of ports of the insurgent territory without the consent of Congress, holding that a state of war existed which would justify a resort to this means:

> Whether the President in fulfilling his duties, as Commander in Chief, in suppressing an insurrection, has met with such armed hostile resistance * * * as will compel him to accord to them the character of belligerents, is a question to be decided by him, and this court must be governed by the decisions and acts of the political department of the Government to which this power was intrusted. He must determine what degree of force the crisis demands (2 Black, 670).

In *Hamilton* v. *Dillin* (21 Wall., 73), which involved certain regulations adopted by the President regarding

trade between the rebels and loyal States during the civil war, the court said (p. 97):

> The power of the Government to impose such conditions upon commercial intercourse with an enemy in time of war as it sees fit, is undoubted. It is a power which every other government in the world claims and exercises, and which belongs to the Government of the United States as incident to the power to declare war and to carry it on to a successful termination. We regard the regulations in question as nothing more than the exercise of this power. It does not belong to the same category as the power to levy and collect taxes, duties, and excises. It belongs to the war powers of the Government, just as much so as the power to levy military contributions, or to perform any other belligerent act.

In that case the action of the Executive was based upon an act of Congress authorizing the President in his discretion to permit intercourse with the insurrectionary States, to be conducted in pursuance of regulations prescribed by the Secretary of the Treasury. The court therefore found it unnecessary to decide whether, in the absence of Congressional action, such power might be exercised by the President alone, but remarked, "It would seem that little doubt could be raised on the subject" [citing *Cross* v. *Harrison*, 16 How., 164, 190; *Leitensdorfer* v. *Webb*, 20 How., 176; *The Grapeshot*, 9 Wall., 129]. Other cases cited below make it clear that the war power embraces, whenever

necessary, the authority to raise revenue by imposing taxes.

The case of *Lamar* v. *Browne* (92 U. S., 187), involved the right of the military forces to capture certain property in the insurgent territory. In denying the right of plaintiff to recover, the court said (p. 193):

> It is contended that, when seized, it was not in "hostile possession," and that, in consequence, the seizure, though made by the military, did not amount to a capture. It is true, as claimed, that, when the seizure was made, active hostilities in Georgia had entirely ceased. The last organized army of the rebellion east of the Mississippi had surrendered almost two months before, and a very large portion of the national forces had been disbanded. The blockade had been raised, and trade and commercial intercourse in that part of the insurgent territory again authorized; but still, in fact, a state of war existed. That continued until April 2, 1865 (*The Protector*, 12 Wall., 702); the territory within the limits of the State of Georgia being occupied by the national forces, and actually governed by means of that occupation * * *
>
> It is quite true that the United States, during the late war, occupied a peculiar position. They were, to borrow the language of one of the counsel for the plaintiff, both "belligerent and constitutional sovereign;" but, for the enforcement of their constitutional rights against armed insurrection, they had all the

> powers of the most-favored belligerent. They could act both as belligerent and sovereign. As belligerent, they might enforce their authority by capture; and, as sovereign, they might recall their revolted subjects to allegiance by pardon, and restoration to all rights, civil as well as political. All this they might do when, where, and as they chose. It was a matter entirely within their sovereign discretion (p. 195).

The language just cited is particularly applicable to the position of the United States with respect to the Philippine Islands during the period under consideration. The United States possessed all the rights of a belligerent, acting both in that capacity and as sovereign (see, also, Bouvier, title "Law;" *Mrs. Alexander's Cotton*, 2 Wall., 404, 419; *Rose v. Himely*, 4 Cr., 241, 272); they could permit free commercial intercourse with the hostile territory, or impose thereon such restrictions or conditions as were deemed necessary and proper, or they could prohibit trade and commerce with the enemy altogether if they chose. It was, as the court said in Lamar *v.* Browne, "a matter entirely within their sovereign discretion."

On this point the Court of Claims in the Warner, Barnes case said:

> If a state of war existed in the Philippine Islands, did that ipso facto justify the exaction of the tariffs that were collected? That such war did exist before and after the exchange of ratifications of the treaty with an armed military power in said islands is beyond dispute. * * *
>
> In time of war, within the military district of

> its operation, no restrictions are placed upon the power and authority of the military commander, except such as are imposed by the common consent of all civilized people. His power is absolute within the radius of his jurisdiction. He may prohibit or restrict all trade or commerce within his lines. * * *
>
> The tariffs paid by the plaintiff were not levied or collected by virtue of the general statutes of the United States relative to customs, nor by authority of any general law, nor in the exercise of the civil powers of the Government, the latter never having been in force in consequence of the prevailing war throughout said islands; but such tariffs were collected solely as a military contribution, exacted by the military government, and as a condition annexed to the privilege of importing goods upon which the duties were levied.

In *New Orleans* v. *Steamship Co.* (20 Wall., 393) it was said:

> Although the city of New Orleans was conquered and taken possession of in the civil war waged on the part of the United States to put down an insurrection and restore the supremacy of the National Government in the Confederate States, that Government had the same power and rights in territory held by conquest as if the territory had belonged to a foreign country and had been subjugated in a foreign war. In such cases the conquering power has a right * * * to assume to such extent as it may deem proper, the exercise by itself of

> all the powers and functions of government. * * * It may prescribe the revenues to be paid, and apply them to its own use or otherwise. * * * There is no limit to the powers that may be exerted in such cases, save those which are founded in the laws and usages of war. * * * In such cases the laws of war take the place of the Constitution and laws of the United States as applied in times of peace.

It is contended that whatever may have been the condition of other portions of the Philippine Islands, at least Manila was at all times during the exactions complained of in the complete and peaceable possession of the United States, and therefore was not hostile territory in which war measures could be enforced. The answer to this is that the political status of Manila must be held to be that of the Philippines generally; that that port was impressed with the state of war prevailing in the islands and could not be distinguished for customs purposes from the remaining territory. The cases already cited are ample authority for this view.

In *Hamilton* v. *Dillin* (*supra*) it was claimed that Nashville, being within the national lines, was not hostile territory at the time the cause of action arose, and therefore not within the prohibition of commercial intercourse. The court held that inasmuch as Tennessee was named in the President's proclamation as one of the States in insurrection, the city of Nashville was affected by the status of the State and accordingly was to be considered hostile.

> The further provision * * * that all commercial intercourse with the insurrectionary districts should cease "so long as such condition of hostility shall continue," could not be construed as allowing such intercourse to be resumed by individuals at will, as fast and as far as our armies succeeded in occupying insurgent territory. The "condition of hostility" remained impressed upon the insurrectionary districts until it was authoritatively removed by the proclamation of the President at the close of the war (p. 95). * * *
>
> But it is unnecessary to pursue this subject. We have frequently held that the civil war affected the status of the entire territory of the States declared to be in insurrection, except as modified by declaratory acts of Congress or proclamations of the President (p. 96).

In *Lamar* v. *Browne* (*supra*) plaintiff endeavored to recover the value of certain cotton seized by the military forces of the United States at Thomasville, Ga., on the ground that when seized the property was not in "hostile possession," active hostilities in Georgia having ceased. The court held as follows (pp. 193–194):

> From time to time during the war the military lines of the enemy were forced back, and, as they receded, the hostile territory was entered upon by the forces of the United States. It was thus taken out of hostile possession. Whenever, therefore, during this military occupation, enemy property found on the recovered territory was seized by the military forces, in obe-

> dience to orders, it was taken from hostile possession within the meaning of that term as used in respect to captures. Property taken on a field of battle is not usually collected until after resistance has ceased, but it is none the less on that account captured property. The larger the field, the longer the time necessary to make the collection. * * * For the purposes of capture, property found in enemy territory is enemy property, without regard to the status of the owner. In war, all residents of enemy country are enemies.

To the same effect is the case of *Mrs. Alexander's Cotton* (2 Wall., 404) where it was said (p. 419):

> It is said that, though remaining in rebel territory, Mrs Alexander has no personal sympathy with the rebel cause, and that her property therefore can not be regarded as enemy property; but this court can not inquire into the personal character and dispositions of individual inhabitants of enemy territory. We must be governed by the principle of public law, so often announced from this bench as applicable alike to civil and international wars, that all the people of each State or district in insurrection against the United States must be regarded as enemies, until by the action of the legislature and the executive, or otherwise, that relation is thoroughly and permanently changed.

The authority of the President to issue the order of 1898 is established conclusively by the authorities already cited. His power to exercise that authority did not cease upon the ratification of the treaty of

peace, but continued throughout the whole period during which hostilities prevailed, and until Congress acted. An insurrection of such proportions as to require the employment of a large army for the purpose of suppressing it existed in the Philippines both before and for some years after the ratification of the treaty, and the treaty could not, accordingly, become effective there, as a treaty of peace, by reason of these conditions. As was said by the Court of Claims in the Warner, Barnes case:

> At the time the ratifications of the treaty of peace were exchanged, the treaty had thereafter the force of law, but by reason of the war existing in the islands at the time, it failed to become effective, and it, as well as all other merely civil law, was suspended and superseded by military law, until such time as it might be possible to put the treaty and civil law in force, and establish proper administrative and judicial authorities to administer and enforce the same. The vital point is that until the military forces of the United States had suppressed armed resistance against its authority and established its sovereignty in the islands, the Government could not give the effect to the treaty contemplated by the high contracting parties.

In *Leitensdorfer* v. *Webb* (20 How., 178), the question was raised whether the institutions of the provisional government established in New Mexico after its conquest, by the Executive authority of the United States, were terminated by the termination of the belligerent attitude of the parties, thus reviving and rees-

tablishing the previous institutions of the vanquished power. The court held to the contrary, saying:

> The ordinances and institutions of the provisional government would be revoked or modified by the United States alone, either by direct legislation on the part of Congress or by that of the Territorial government in the exercise of powers delegated by Congress

In *Hamilton* v. *Dillin* (*supra*) the court said:

> In *Cross* v. *Harrison* (16 How., 190) it was held that the President, as commander in chief, had power to form a temporary civil government for California as a conquered country, and to impose duties on imports and tonnage for the support of the Government and for aiding to sustain the burdens of the war, which were held valid until Congress saw fit to supersede them; and an action brought to recover back duties paid under such regulation was adjudged to be not maintainable (p. 87).

In other words, a treaty of peace can not operate instantly to supplant executive acts and orders when, because of any paramount necessity, like the condition of war in the Philippines, that result should not follow. Indeed, in *Leitensdorfer* v. *Webb* and in *Cross* v. *Harrison*, as commented on in *Hamilton* v. *Dillin*, there was no such paramount necessity, and yet the provisional institutions of civil government and the war tariff continued until Congress authorized their displacement. But of course the *Dooley* case makes it now clear that unless there is a paramount necessity, such as contin-

ued warfare and rebellion, war dues can not survive ratification of a treaty of peace.

Opposing counsel rely greatly on a statement in illustration in the *Dooley case* (182 U. S., 222) that "while a military commander during the civil war was in occupation of a southern port he could impose duties upon merchandise arriving from abroad, it would hardly be contended that he could also impose duties upon merchandise arriving from ports of his own country." But the court also said immediately following that "his power to administer would be absolute, but his power to legislate would not be without certain restrictions; in other words, they would not extend beyond the necessities of the case."

I do not understand that the court meant to say that the necessities might not have extended that far in our civil war. They did not, for various reasons. The enemy were not drawing their supplies from the Northern States. Cargoes were not coming in from the seceded States. The supplies and munitions were coming from abroad. There was no traffic of moment between our citizens, whether loyal or disaffected, in southern ports occupied by us, with the enemy. They were not acting there as factors and bankers for the hostiles. The Executive did not deem duties on merchandise from the loyal portions of the country necessary. Nor do I understand that the court by that illustration meant to forecast and cover the present case. Very different was the situation in the Philippines from the case of the Southern Confederacy. In the Philip-

pines the necessity did exist, and the illustration falls as a precedent, or rather itself contains the exception. Further, there is this vital distinction: The Philippines were merely territory of the United States, just acquired in law and not yet completely brought under the dominion of the United States. However true it may be that a particular southern port might have escaped just as far from our previous dominion, nevertheless it was situated in a "State" which was part of "an indestructible Union composed of indestructible States." There is certainly a difference in principle on the question—in fact, and legally and constitutionally—between new and distant territory, strange problems and unfamiliar conditions, on the one hand, and an integral section of the United States on the other. The latter lay at our doors, was really part of us; Congress, as well as the Executive was exercising its own power direct and was legislating constantly for the prosecution of the war. The legislature was in immediate touch with all the conditions, and did not need, as was the case here, to commit or leave untrammeled to the Executive's instant knowledge and power of prompt action the conduct of operations. In the civil-war case neither the Executive nor Congress deemed it necessary to erect the tariff barrier against trade from the loyal States. I do not hereby suggest the argument *ab inconvenienti;* the entire superstructure is the war power and the war necessity.

Another point is to be regarded in this connection. The Court of Claims finds as a fact that one form of aid to the insurrection was contraband trade between merchants and traders in Manila and the insurgents outside, in the course of which contributions were levied upon such trade by the officers of the insurgent government and paid by the agents of such traders. The record before this court does not disclose what the fact was in this respect relative to the claimants here, but it is well known that such houses occupy peculiar relations in the eastern trade and are factors and bankers for all the staple industries as well as mere merchants. It is notorious, and various public investigations and records show, that in such ways the insurgents supported their military operations and their revolutionary civil government, which was *imperium in imperio*. This fact illustrates sharply why tariffs and port and other regulations were a part of the military necessities. In this way our authorities controlled intercourse, knew what the shipments were, and to whom they were delivered, and traced all sorts of correspondences with the hostile forces. The United States recognized the existence of the insurrection, of course. It did not recognize an independent power at war; it did not treat the Filipinos as belligerents in the strict and technical meaning of international law, but in practice it accorded belligerent rights; it treated prisoners taken as prisoners of war, and in other ways proceeded toward them as warring and rebellious people, but not as conspirators and

traitors. It may well be that among the claimants who are interested in the pending issue there were those who might in strictness have been dealt with as disloyal inhabitants and traitors engaged in treacherous correspondence with the enemy. If so, they were merely taxed to support our Government and to restrain their unlawful activities. It would be strange if such people, giving aid and comfort to the enemy and collecting these imposts, of course, from the people who consumed their merchandise, by addition to the price, can turn round and demand from the Government with any reason or legal force, the return of these moderate and proper duties. The finding of the Court of Claims implies clearly that this situation existed. If there are among any of the pending demands cases of that sort, then there never was a stronger illustration of seeking to "make the worse argument appear the better," and such claims would be sheer effrontery.

IV.

Ratification by Congress.

If any doubt exists as to the validity of the action taken by the executive in enforcing customs duties in the Philippines, the subsequent approval and ratification thereof by Congress in the "Spooner amendment" and the act of July 1, 1902, must be held as having fully legalized such action.

It is plain that the necessity of the exercise of the war power was as great at least as in the war with Spain. The insurgent hostilities were altogether more extensive and formidable and were of much longer

duration. The attitude of the legislature in approving the executive action under the circumstances is evidence that Congress united with the executive in the opinion that under the prevailing conditions the military government was legal and necessary.

In the *Prize Cases* (*supra*) it was said (p. 670):

> If it were necessary to the technical existence of a war, that it should have a legislative sanction, we find it in almost every act passed at the extraordinary session of the legislature of 1861. * * * And finally * * * we find Congress "*ex majore cautela*," and in anticipation of such astute objections, passing an act "approving, legalizing, and making valid all the acts, proclamations, and orders of the President," etc., as if they had been issued and done under the previous express authority and direction of the Congress of the United States.
>
> Without admitting that such an act was necessary under the circumstances, it is plain that if the President had in any manner assumed powers which it was necessary should have the authority or sanction of Congress, that on the well-known principle of law, "*omnis ratihabitio retrotrahitur et mandato equiparatur*," this ratification has operated to perfectly cure the defect. * * *
>
> The objection made to this act of ratification, that it is *ex post facto*, and therefore unconstitutional and void, might possibly have some weight on the trial of an indictment in a criminal court. But precedents from that source can not be received as authoritative in a tribunal administering public and international law.

And in *Hamilton* v. *Dillin* (*supra*), in discussing the effect of an act of Congress upon certain regulations made by the Secretary of the Treasury and approved by the President, relating to a tax upon cotton purchased in territory affected by the hostilities of the civil war, the court held that the act recognized and confirmed the regulations in question; that it was "clearly an implied recognition and ratification of the regulations, so far as any ratification on the part of Congress may have been necessary to their validity."

The cases actually before the court claim only on duties levied up to the date when the Philippine Commission, adopting and establishing the existing tariff, took effect. (Act of September 17, 1901, taking effect November 15, 1901; 1 Pub. Laws Philippine Com., p. 581.) That act was passed pursuant to authority under the President's instructions of April 7, 1900, and the Spooner resolution of March 2, 1901. The first transferred, after September 1, 1900, "that part of the power of government which is of a legislative nature" from the military governor to the Commission, including "the raising of revenue by taxes, customs duties, and imposts." The second (31 Stat., 895, 910) provided that "all military, civil, and judicial powers necessary to govern in the Philippine Islands * * * shall, until otherwise provided by Congress, be vested in such person and persons and shall be exercised in such manner as the President of the United States shall direct."

One of the briefs before the court, however, challenges the authority, even at the stage of the Philippine Commission's act, and contend that the act of Congress of March 8, 1902, merely enacted a Philippine tariff for the future, and that the act of July 1, 1902 (32 Stat., 691), could not legally validate what the executive and its agencies had previously done. The act of March 8, 1902 (32 Stat., 54), provided that the tariff act of the Philippine Commission "shall be and remain in full force and effect," and that there shall be levied upon all articles coming into the Philippines from the United States the same duties which are required on articles from foreign countries. The act of July 1, 1902, (32 Stat 691) ratified the action of the President in creating and empowering the Commission; ratified his exercise of the war power in imposing a tariff, and approved (which is the same as ratified) the acts of our officers in pursuance thereof (sec. 2); and provided that whenever the "existing insurrection" should cease, and complete peace be established, and that fact should be certified to the President by the Commission, a census shall be taken, etc. (sec. 6). The fact of peace was declared in an order of the Secretary of War of July 4, 1902, and the President's proclamation of peace and amnesty was issued on the same day. The military government totally ceased on that day. Later, the fact that "a condition of general and complete peace has been established" was certified by the Commission, in accordance with section 6 of the act of July 1, 1902, by a resolution dated September 8, 1902.

The controlling considerations in this controversy—the original power of the President, the authority of the Commission, the grant of continued power by the Spooner amendment and the complete validation of the Executive action, and especially the laying of a tariff, by the later acts of Congress—cover the entire situation, and we argue that the duties were validly imposed up to the date March 8, 1902, when Congress itself specifically imposed them.

This is not a case of unauthorized delegation of legislative power. The grant is of all *military, civil, and judicial* power necessary to govern; the ratification is of the *action* of the President whereby duties were collected. The action here was the continuing of existing laws in force, for necessary purposes, which international law requires until new laws are constitutionally substituted. Both the grant and the ratification plainly recognize that the *military* situation along with the *civil* and *judicial* necessities of administration demanded the course pursued; there is no unconstitutional delegation. The President's authority originally embraced all branches of governmental power. He did not really legislate when he imposed a tariff; he said that import duties should continue to be collected. He *did* something; he exacted taxes by his order and his officers as Commander in Chief. Congress legislates, of course, when it passes a tariff act. It legislated thus for Porto Rico by the Foraker Act and for the Philippines by the act of March 8, 1902. Congress might have legislated on this subject on April 11, 1899, but

it did not choose to do so. It knew that the time and conditions were not fit—war prevailed. The maxim fully applies, "*Inter arma leges silent.*" The modern reading is that the military commander does not transgress law, but enforces existing law as his own. The intervening grant and the final ratification authorized and approved the President's acts within the rule. Congress, where it might have accomplished the result by its *legislation*, can ratify by legislation what was *done* without legislation.

I have cited the cases in this court as to ratification by Congress in an equivalent situation. I submit that they rule the controversy. A more extended examination of cases involving municipal instances where the war power did not enter confirms the principle. In general, they were cases where a public officer or municipal body who could not legislate took some action without previous authority. The test always is: Does the legislative body or other agency of government which ratifies possess authority to do the act, or to confer power to do it, in the first instance. (*Marsh* v. *Fulton Co.*, 10 Wall., 676; *Norton* v. *Shelby Co.*, 118 U. S., 451; *Sykes* v. *Mayor*, 55 Miss., 137, quoted with approval by this court in *Grenada Co.* v. *Brogden*, 112 U. S., 261; *Brown* v. *Mayor*, 63 N. Y., 239; *State* v. *Torinus*, 26 Minn., 1; *McMillan* v. *Boyle*, 6 Ia., 304.)

In *Mattingly* v. *District of Columbia* (97 U. S., 687) the court says that Congress, in legislating for the District of Columbia, may cure irregularities and vali-

date proceedings which, without this confirmation, would be unauthorized, and approves Judge Cooley's rule (Const. Lim., 371), viz: "If the thing wanting or which failed to be done and which constitutes the defect in the proceeding is something the necessity for which the legislature might have dispensed with by prior statute, then it is not beyond the power of the legislature to dispense with it by subsequent statute." There are innumerable other authorities to the same effect, for example, *Thomson* v. *Lee County*, 3 Wall., 327; *Campbell* v. *Kenosha*, 5 Wall., 194; *Supervisors* v. *Schenck*, 5 Wall., 772; *Gelpcke* v. *City of Dubuque*, 1 Wall., 175, 202; *Fleckner* v. *United States Bank*, 8 Wheat, 338, 363. It is not necessary to accumulate authorities by citing the long list of State cases.

In the case at bar the question is, did Congress possess authority, after the ratification of the treaty, to impose customs duties on goods entering the ports of the Philippine Islands from the United States? This question must of course be answered in the affirmative. (*Downes* v. *Bidwell*, 182 U. S., 244.) We are undoubtedly within the maxim that every subsequent ratification has a retroactive effect, and is equivalent to a prior mandate.

We stand on the war power coping with a flagrant state of war. Under such circumstances the Executive possesses the right to exercise legislative power until the war is over and so far as that power was exercised here, authority from Congress and ratification were not needed. The ratification, however, is complete

and is legally potent because it seizes the Executive action or legislation (valid certainly theretofore) at the point where Congress might have intervened (April 11, 1899), and approves and adopts it as continuing in force. Congress does not delegate its own legislative power or ratify, as a delegation, the legislative power exercised, but approves and confirms the exercise by the Executive of his own legislative power. Suppose Congress, on April 11, 1899, had passed an act declaring that the Philippine military tariff should continue in force until Congress should otherwise provide, as was done, substantially, on March 8, 1902. There can be no doubt whatever that until April 11, 1899, the military tariff was constitutionally imposed. Can it be doubted that Congress could do that? Such action would be legislation and would constitutionally authorize the President, not to legislate, but to continue to act. What more is needed to show that the ultimate act of ratification legitimately related back and affected the situation in precisely the same way? It did what Congress might have done when the treaty was ratified, and turned by the legislative approval the valid power of the executive to legislate up to that time into the equally valid power of the executive to continue to execute in accordance with that legislation. The argument that the Spooner amendment is unconstitutional because it is an attempt to delegate legislative power contrary to law, and that the ratification of 1902 is ineffective on the same ground because Congress can not approve what it can not authorize,

is contrary to a guiding principle of interpretation, viz, that all the presumptions are in favor of the constitutionality of a law. It is not to be supposed that the eminent constitutional lawyers in Congress, when this legislation was enacted, were not aware of the rule that Congress may not lawfully delegate legislative powers to the Executive. It must be assumed that the Spooner amendment was not an attempt to effectuate any such invalid purpose, but, on the contrary, was intended to have legal and constitutional effect. By reading it according to its natural meaning and the plain and sensible canons, in the light of all the facts before Congress, the true construction is that it is a legitimate ratification and approval of the course of the Executive in recognizing a state of war as existing in the Philippines and in dealing with it accordingly.

If the Executive can not do what was done, when we are at war and the necessities are so vital, and the joinder and approval of Congress have no effect, then we are indeed impotent as a nation. The constitutional authorities are acting together and in harmony, yet before a rebellion may be suppressed and anarchy averted all details of revenue and administration must be referred back to Congress, 10,000 miles away, in session only a portion of the time; formal war must be declared, and every step taken must be prescribed and authorized by a statute in advance. It is no answer to say that we could do all that was done except levy duties on imports from this country. Revenue

and strategical demands alike may have designated those duties as the most important. That is for the commander to determine. If the tariff from American imports must fall in such case, all might go. We are under obligation to Spain to treat her ships and goods like our own, and other nations would then have invoked the most-favored-nation clause. It is not arguing from inconvenience or hypothetical calamities to say that whether we choose or no we may be in a similar situation again. Where there are two possible constructions, one producing unreasonable or pernicious results, that one is to be avoided if consistent with reason. I do not believe we are so helpless. Certainly the Constitution was never intended to leave the national power in war and other emergencies so cramped and bound. I do not think it can be construed to have that result.

V.

CONCLUSION.

Some other points which have been made have already been sufficiently answered or are of minor importance. There can be no doubt that in territory subject to military occupancy civil affairs may be administered by civilian officials without diminution of the authority derived from the laws of war. That is a familiar rule of international law, and means that so far as possible the existing civil agencies and officers of government should be continued. Actual government under such circumstances is usually

administered directly by military authority, but it may also be administered by civil authority supported more or less directly by military force. (*Thorington* v. *Smith*, 8 Wall., 7; *Ford* v. *Surget*, 97 U. S, 617.) This was the precise situation in the Philippines.

It is suggested that this tariff was imposed and collected in violation of due process of law. If the supposed illegality can not be brought within any closer or sharper grasp than that principle gives here, the complaints must disappear in thin air. If the acts of the President were valid, as we insist, upon the principles which we have discussed, then everything that was done was done in accordance with due process of law.

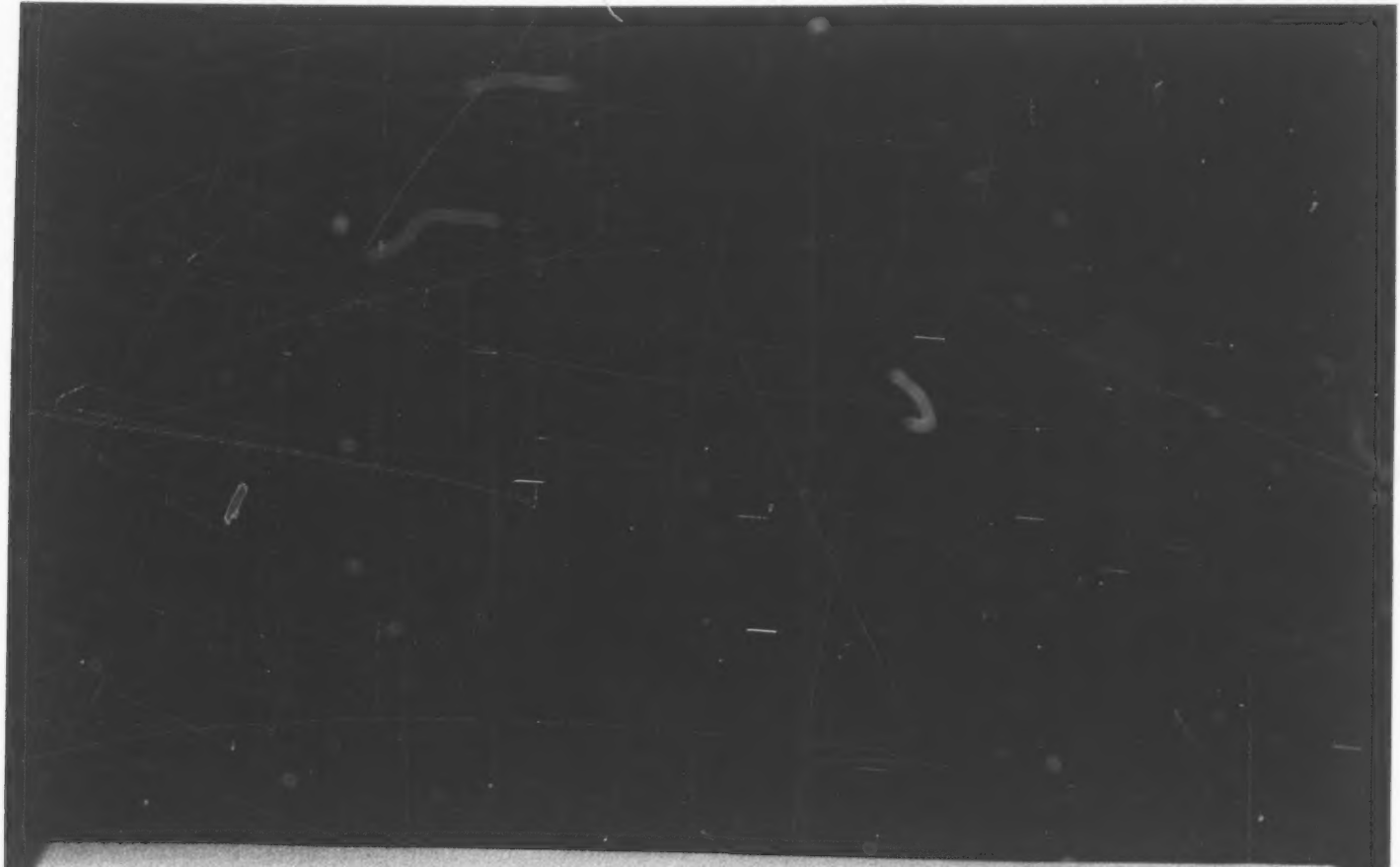
An assigment of error in the *Lincoln case* (No. V, Rec., p. 18) appeals to the provision of the Constitution which forbids a tax on articles exported from any State, but that contention was finally disposed of in *Dooley* v. *United States*, 183 U. S., 151 ("*The Second Dooley* case").

I submit that the duties involved were validly imposed as an exercise of the war power, as a condition for the privilege of trading with territory occupied by our forces in the prosecution of a war, as a means of securing revenue for military expenses and for the cost of administration of civil government, as an exercise of the legislative power of the executive engaged in war, which was authorized, ratified, and

confirmed by Congress. I submit that no reasonable doubt can remain that the exactions complained of were constitutional and legal in all respects.

HENRY M. HOYT,
Solicitor-General.

○



In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and CHARLES D. BARRY, trading as copartners under the firm name and style of Henry W. Peabody & Co., plaintiffs in error,
v.
THE UNITED STATES. } No. 149.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

WARNER, BARNES & CO. (LIMITED), appellant,
v.
THE UNITED STATES. } No. 466.

APPEAL FROM THE COURT OF CLAIMS.

ADDITIONAL BRIEF FOR APPELLEE.

I avail of the inquiry of the court at the close as permission to notice some of the points made in the opposing argument at bar.

21815—05

The claimants can not set up vested rights on the ground that their demands were filed before the act of March 8, 1902, was passed because—

The very question here is whether they have any valid rights at all.

Because, therefore, the principle determined in the De Lima case as to rights held valid which were asserted eleven days before an act speaking wholly as to the future does not apply; an act of Congress in this case (act of July 1, 1902) expressly related back for the purpose of validation.

And because while such a valid right vests when put in suit so as to escape a later enactment, here there was a valid exaction by the commander, like the "cotton bonus" in *Hamilton* v. *Dillin*, the payment was voluntary, as shown in that case, and the notion of vesting does not apply.

The decision in *Hamilton* v. *Dillin* sustains all three grounds of validity, viz, that being at war, the executive possessed authority; Congress possessed power to authorize in advance; and Congress possessed power to ratify afterwards.

These three tests embraced a place which this Government held. The principle, as applied in that and other cases which we cite, includes any such place even if finally surrounded by a wide zone of effective

control, even if it is the headquarters of an extending civil administration as well as the military forces, as at Manila.

Fortunes shift with the varying chances of war—they shifted rapidly and often in the Philippines for a time. Observe how they shifted in the Red River campaign of Porter and Banks during the civil war (*Mrs. Alexander's Cotton*).

In *Hamilton* v. *Dillin* the argument might have been made with much force—with far more reason than in later cases, and finally in the second Dooley case—that the exaction was an export tax. Would this court have listened to the argument? The court would not only have determined that the goods were destined for domestic rather than foreign territory, although shipped from hostile, insurrectionary districts, but the court would have made short work, I venture to say, of that form of challenging the war power on a constitutional pretext.

The Filipino insurgents proclaimed their independence and proclaimed war formally. They occupied Manila with us and then attacked us there; there were lines of bayonets wherever they were, near Manila at first and at all times throughout the region of which it is the center. The bayonets were not so numerous as

during our civil war, nor the territory embraced so extensive or so populous. But when serious at all it is not a question of degree. This was not a mere riot, nor even a "Whisky Insurrection." Manila was our military as well as civil headquarters; beneath its ultimate "firm control" and apparent peace, sedition, plotting, and the active propagandism of revolt were going on. Manila was also a revolutionary headquarters, all the more difficult to meet because the hostile sentiments and activities were secret—the aid covert. The situation is typified by the fact that Aguinaldo's proclamations were posted beside our own commanders'.

Must we be challenged by street barricades in order to constitute such a place, in such domestic territory, hostile and enemy country?

Surely the Diamond Rings case does not not justify that view, and the doctrines of the civil war cases, where, often, the actual bayonets and forces were at a distance, completely apply. The opposite view ends with the conception that we could not call a particular place in belligerent domestic territory *hostile* unless it were actually occupied by the enemy. If we did not hold it at all of course we could not levy duties there. The real question is: What do the imperative claims of war, under the particular circumstances, require? What does the commander, who is dealing with the actual, critical situation, determine the necessities to be? His power should not be curtailed because he avails of ordi-

nary tariff duties; because his strength gives him port control and one aspect of the case permits him to let in commerce. Could not a commander have placed an embargo on all commerce at New Orleans, and supplied the city from the surrounding country through the military lines under close scrutiny, and also charged barrier dues there? He might have done so, if for no other reason, to bring everybody into certain avenues of communication. Could he not, for the same reason, have done a less rigorous thing; imposed a tariff upon *all* merchandise arriving by sea from the loyal States as well as from abroad? The situation in the city might have justified and required that, to help espionage; there might have been open or secret aid to the Confederates, trading and banking for their benefit among native and foreign sympathizers. The President and Congress were in close touch with all the affairs and that was not deemed necessary. But could it not have been done? Might Congress not have authorized it or ratified? Must a good reason be given by a commander; must he tell his purposes and show his logic before acting? In the Prize Cases Justice Grier reservedly conjectures as to the reason for the "cotton bonus," but says the motive is not material. It was a matter of legitimate military power, and so it was at Manila.

Why was the treaty "not without significance" in the Dooley case? Because, giving legal title and possession, it marched with the facts of a quiet military

situation and nonresistance, so as to strike down unnecessary military duties in domestic territory, although not inconsistent with the necessary maintenance by the military of ordinary civil administration in other respects. And why, although not without significance, was the treaty not conclusive? Because a sharp challenge of possession might go on and there might be imperative necessities, as here; and the door was thus left open, not only for possible future cases, but for *this* case—for the Philippine aspect under this very treaty.

Manila and Iloilo were the only ports really important and open. The others were negligible and were, indeed, some for most of the time and all at some time, substantially under the control, open or secret, of the hostile forces. In fact, Manila was the only significant port. It was the *entrepôt* of the entire archipelago, the point where all our operations and all the resistances to them converged through different channels and instrumentalities. Controlling that port throughout the wide range of means essential, we controlled the islands. It was none the less the center of a hostile country because our armed hand grasped most firmly there. What was the reason why our commander at his headquarters at Manila endeavored and partly succeeded in shutting up the hemp ports? To keep hemp from coming out and therefore to keep rice from going in, thus crippling the enemy. A tariff against our own products at Manila (laying revenue aside) was simply a less harsh means of serving the same end indirectly.

It must be remembered that the Philippine tariff did not apply the Dingley schedules to foreign countries. Our military authorities, continuing Spanish rates for that oriental locality, after discontinuing the preferences to Spain, taxed with a view to local needs. They admitted free what we tax, or they taxed lightly what we tax heavily. We tax cleaned rice 2 cents per pound; they taxed and still tax (under the adoption of that tariff by Congress) *husked* rice, apparently the article in the same state, 50 cents per 100 kilos; that is, less than one-fourth of a cent a pound. Our authorities, controlling the tariff side, handled it as they found necessary for their military dilemma, but handled it also for the benefit of those peaceful inhabitants whose civil affairs they were administering. Now, if, under those circumstances, that territory was instantly privileged by our tariff and its own domestic status, it was also instantly bound, as in the different aspect presented in California (Cross *v.* Harrison); and the Dingley schedules must have been erected *totidem verbis* against all the rest of the world.

In reply to Mr. Ward's remarks at the close, there can be no doubt that since Congress, in March, 1902, adopted and confirmed the Philippine tariff, expressly including imports from the United States, it intended, in July, 1902, to ratify the tariff as laid, in its entirety, during the whole period in question.

The Court of Claims did not say and did not intend to say that the treaty was ineffective with respect to legal title and possession—that is, as giving the domestic character. It was a treaty of peace as well as cession, and the court simply meant that peace did not ensue, that ratification did not instantly accomplish *that* result, since war was raging and continued for three years.

We submit wholly, of course, to the authority of *De Lima* v. *Bidwell*, *Dooley* v. *United States*, and *Pepke* v. *United States*. But we say that this is a different controversy and that *Downes* v. *Bidwell* must not be forgotten. Mr. Coudert declares his inability to perceive or understand any other view than his own of the problem before the court. I do not go so far. I grasp his argument and know why, as such, it appeals so conclusively to the habit and predilections of his mind as counsel against the Government throughout the entire insular controversy. But I yield no whit in depth and earnestness of conviction. I am wholly persuaded that his confident argument rests upon a fallacy; that it begs the question.

1. We start with the war power and an imperative necessity for its exercise. When that is so it can not be trammeled; itself must determine reasons, degree of necessity, what particular orders and compulsions will meet the requirements. The courts will not usurp that function.

2. The De Lima case simply determined that Porto Rico was domestic territory respecting our tariff. The war power was not involved.

3. The first Dooley case decided that previous to ratification of the treaty Porto Rico was foreign territory and the military tariff valid—the war power, in exercise to meet hostilities, was not involved—and that subsequent to ratification that tariff was not valid, because we had title and possession, and there was no military necessity. The war power was not involved. But the door was left wide open by that opinion in case it were.

4. The Diamond Rings case related to this same territory, domestic, notwithstanding the insurrection, in title and in possession, sufficiently for *that* sequel to title as a *legal* element. Our own tariff was involved; the war power was not involved.

5. In the present cases the military tariff in the Philippines is presented. Military necessities existed; the executive determined that they demanded this provision and action. The war power was involved.

6. The first Dooley case, as to the period after ratification of the treaty, is a true correlative of the De Lima case. But the present cases are not the correlative of the Diamond Rings case, and there is the slip in the appellant's easy and assured logic.

7. *Downes* v. *Bidwell* shows what Congress might have done on April 11, 1899. It is always well for the Executive and legislature to concur in such grave crises, although it may not be constitutionally neces-

sary. If it were necessary here Congress did, by its enactments of March, 1901, and March and July, 1902, accomplish *as of the earlier date* what it might have accomplished *on* the earlier date. It acted *nunc pro tunc*, and ratified with the effect of a previous authority or previous act of its own.

In the final survey, how does the matter appear, untechnically, in plain sense and reason? Did not the Executive and Congress do what was *right?* Have the appellants any *just* claim? I leave with the court with becoming gravity, I trust, but with confidence, this solemn inquiry; they are to determine whether, when the nation is struggling with war, is surrounded by difficulties and perils, the courts will assume to say that the combined action of the Executive and legislature went beyond the necessities, although there was no tyrannical aggression, no violation of sacred guaranties. This situation—the competence and independence of the war power—once involved the very existence of the nation and may do so again.

HENRY M. HOYT,
Solicitor-General.

O

Supreme Court of the United States.

Nos. 149 and 466.—October Term, 1904.

No. 149. Frederic W. Lincoln, Henry W. Peabody, John R. Bradlee and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody & Co., Plaintiffs in Error,
vs.
The United States.

In Error to the District Court of the United States for the Southern District of New York.

No. 466. Warner, Barnes and Company, Limited, Appellant,
vs.
The United States.

Appeal from the Court of Claims.

[April 3, 1905.]

Mr. Justice Holmes delivered the opinion of the Court.

These are suits to recover duties exacted from the plaintiffs in error and appellants upon merchandize shipped by them from New York to Manila, and landed at the latter port between April 11, 1899, the date when the ratifications of the treaty with Spain were exchanged and October 25, 1901. The duties were levied under an order of the President dated July 12, 1898. The case of Peabody & Co. was decided on demurrer to the answer of the United States, which set up that during the time mentioned there existed an armed insurrection in the Philippine Islands of such size as to call for military operations by the United States; that, although Manila was in our possession, it was held only by force of arms as a part of hostile territory, and that the President's order was a lawful exercise of the war power of the United States. The District Court overruled the demurrer and dismissed the suit. Fed. Rep. The case of Warner, Barnes & Co. was decided on a finding of facts by the Court of Claims, and that Court also dismissed the petition. C. Cl. R. These facts mainly concern the magnitude of the insurrection and need not be stated.

It will be observed that the President's order relied upon was an order issued during the war with Spain, nine months before the treaty of peace was made. It was a measure taken with reference to that war alone, and not with reference to the insurrection of the native inhabitants of the Philippines, which did not happen until much later. Aguinaldo declared hostilities on February 4, 1899. The natural view would be that the order expired by its own terms when the war with Spain was at an end. The order

directs that "upon the occupation of any forts and places in the Philippine Islands by the forces of the United States," the duties shall be levied and collected "as a military contribution." Of course, this was not a power in blank for any military occasion which might turn up in the future. It was a regulation for and during an existing war, referred to as definitely as if it had been named. See *Dooley* v. *United States*, 182 U. S. 222, 234, 235.

However this may be, we are of opinion that the cases before us are governed by the decision in *Fourteen Diamond Rings*, 183 U. S. 176, 180, 181. In that case it was decided that after the title passed to the United States there was nothing in the Philippine insurrection of sufficient gravity to give to the islands the character of foreign countries within the meaning of a tariff act. That means that there was no such "firm possession" by an organized hostile power as made Castine a foreign port in the war of 1812. *United States* v. *Rice*, 4 Wheat. 246, 254. Whatever sway the the Philippine government may have had in Luzon we suppose that probably at any time the United States could have sent a column of a few thousand men to any point on the island, as was stated by the Secretary of War in his report in 1899, and as the United States was willing that the Court of Claims should find. In the language of the above mentioned decision: "If those in insurrection against Spain continued in insurrection against the United States, the legal title and possession of the latter remained unaffected."

Apart from the question of the duration of the President's order, it plainly was an order intended to deal with imports from foreign countries only and Philippine ports not in the actual military control of the United States. But even had it been intended to have a wider scope we do not perceive any ground on which it could have been extended to imports from the United States to Manila, a port which was continuously in the possession as well as ownership of the United States from the time of the treaty with Spain. Manila was not like Nashville during the Civil War, a part of a State recognized as belligerent and as having impressed a hostile status upon its entire territory. *Hamilton* v. *Dillin*, 21 Wall. 73, 94–96. The fact that there was an insurrection of natives not recognized as belligerents in another part of the island, or even just outside its walls, did not give the President power to impose duties on imports from a country no longer foreign. See *Dooley* v. *United States*, 182 U. S. 222, 234.

We see no sufficient ground for saying that the collection of these duties has been ratified by Congress. The only act needing mention is that of July 1, 1902, c. 1369, § 2, 32 Stat. 691, 692. That Act ratifies the action of the President "heretofore taken by virtue of the authority vested in him as Commander-in-Chief of the Army and Navy, as set forth in his order of July twelfth, 1898," &c., together with the subsequent amendments to that order. "And the actions of the authorities of the government of the

Philippine Islands, taken in accordance with the provisions of said order and subsequent amendments, are hereby approved." Without considering how far the first part of the section extends, the approval of the action of the authorities is confined to those which were in accordance with the provision of the order, which, as we already have intimated, the collection of these duties was not. See further *De Lima* v. *Bidwell*, 182 U. S. 1, 199, 200.

Judgments reversed.

True copy.

Test:

Clerk Supreme Court, U. S.

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN, HENRY W. PEABODY, JOHN R. BRADLEE, and CHARLES D. BARRY, trading as copartners under the firm name and style of Henry W. Peabody & Co., plaintiffs in error,
v.
THE UNITED STATES. } No. 149.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

WARNER, BARNES & CO., LIMITED, appellant,
v.
THE UNITED STATES. } No. 466.

APPEAL FROM THE COURT OF CLAIMS.

PETITION OF THE UNITED STATES FOR REHEARING.

I respectfully present to the court a petition for rehearing in this cause, and urge, in view of the paramount importance of the principles of sovereignty and constitutionality involved, that the court should hear

new and fuller argument from the Government for the following reasons:

I.

The court rested the decision in these cases upon the *Fourteen Diamond Rings* case. While accepting fully the ruling in that case, and the decision that the Philippine insurrection did not make the territory *foreign* as to our own tariff, the argument for the Government proceeded on the conviction that the imperative demands of the warfare in that domestic *hostile* territory and the scope of the executive power under the war head distinguish that case fundamentally from the present cases. The court holds here that the President's tariff order of July 12, 1898, expired by its own terms when the war with Spain was at an end. It is difficult to see why, because the exercise of the war power was initiated under a foreign war, it ceases at the end of that war and does not extend on into a much more serious war, simply because the territory was domestic. To entertain this view, it seems to me, is to disregard the doctrines laid down in the Civil War cases which unqualifiedly sustain the exercise of executive power for which the Government contends in dealing with an insurrectionary war in domestic territory

It is respectfully submitted that the Executive order was not "a power in blank for any military occasion which might turn up in the future," as suggested by the court. If subordinate officers took advantage of a President's order to wrest it from its true purpose as a blank power, this suggestion would be apposite. The

occasion demanded the continuance of the provisions of the order; the *post*-treaty aspect was an integral part of the entire situation in the Philippines, with its requirements and consequences fully foreseen, and was not therefore a casual sequel to suit which the order was being wrested from its true purpose with doubtful legality. The President consciously and intentionally imposed the order on the new war and was not misled into unknowingly giving an authority in blank. There can not be the slightest doubt about this. The commanding general and the subordinate officers acted at all times in strict accordance with the Executive orders.

It is suggested, with deference, that the court in the opinion herein did not lay down fully the legal and logical principles by which, notwithstanding the Civil War cases, the war power was limited to the existence of the war which first called it forth, and did not continue on into the far more serious and extensive war which followed, merely because the territory ceased to be "foreign." So much for the military necessity for the order throughout the period of insurrection. The deliberate continuance and the deliberate intent of Congress to approve, as shown by review in serial detail of executive and legislative acts, remain for consideration.

II.

The stress of the case appears now to rest upon the intention of Congress in the authorizing and ratifying acts and the effect of these acts. The Government is convinced, for many reasons which it desires to lay

more fully before the court, that Congress in passing these acts intended to ratify all that was done by the executive authorities in the Philippines, and particularly the collection of duties during the period in question. The grounds for this view have already been stated, but are susceptible of reinforcement. Heretofore the Government has supposed that there could not be the slightest doubt of the intent of Congress; that the only inquiry was as to the effect of its enactments.

It will be necessary to set forth the series of executive orders on the one hand and the series of legislative acts on the other. The court is familiar with the terms of the President's tariff order of July 12, 1898. I point out first one or two orders consequent thereon *before* ratification of the treaty, in order to complete the showing of continuity of executive order throughout, followed by precisely responsive action of the subordinate officers.

Founded upon an order of the President, promulgated by the War Department, General Orders No. 6 of the military governor, dated Manila, September 29, 1898, suspended the enforcement of tariff regulations under the order of July 12, 1898, until November 10, 1898, and continued during the interim the existing Spanish tariff, omitting the preference to Spain.

General Orders No. 10 of the military governor of October 26, 1898, formally directed that the amended and revised tariff should be put in force on November 10, and set forth the regulations for the entrance and clearance of vessels, light dues, entry of merchandise, etc., with schedules of duties on imports.

The order of the President, dated December 21, 1898, and promulgated by the War Department January 16, 1899, as Circular No. 4 of the Division of Customs and Insular Affairs, contained this paragraph:

> All ports and places in the Philippine Islands in the actual possession of the land and naval forces of the United States will be opened to the commerce of all friendly nations. All goods and wares not prohibited for military reasons by due announcement of the military authority will be admitted upon payment of such duties and other charges as shall be in force at the time of their importation.

While this contemplated the existing war with Spain, there is nothing in it inconsistent with its continuance during the necessary military situation which began before the war with Spain was definitely ended by the treaty ratification. Indeed, the war with Spain was really over when this order of December 21, 1898, was issued; the protocol was agreed upon August 12, 1898, and the treaty was signed December 10, 1898. That paragraph is harmonious with the fact of commerce partially opened to friendly nations, notwithstanding the insurrection, and is harmonious with the continued collection of tariff duties.

Other executive orders followed relating to the compilation of customs reports and additions to the Philippine free list.

After the treaty was ratified the action was as follows:

On May 3, 1899 (Tariff Circular No. 65, War Department, May 5, 1899), the President directed that

the Philippine Archipelago and the island of Guam shall constitute a collection district, with Manila as the chief port of entry, directed the assignment of an army officer as collector, established certain subports of entry, provided for the deposit of moneys collected with the treasurer of the islands, and that all questions arising in the administration of customs shall be referred to the collector for his decision, with the right of appeal to the Secretary of War. This order was promulgated at Manila, August 10, 1899 (General Orders, No. 37, of the military governor), and military officers were directed to "carefully consider and promptly comply with all instructions affecting them."

Two other orders at this particular time are also significant. On May 8, 1899, President McKinley signed an order, promulgated by the War Department on May 11 (Circular No. 20, Division of Customs and Insular Affairs), directing that "by virtue of the authority vested in me as Commander in Chief of the Army and Navy of the United States," certain offices shall be created and maintained "during the maintenance of the military government of the United States in the islands of the Philippine Archipelago and the island of Guam," including the office of assistant auditor for auditing the accounts of the Department of Customs.

On May 11, 1899 (Circular No. 16, Division of Customs and Insular Affairs), the War Department published for the information and guidance of all concerned the direction that—

> Collectors of customs appointed by the military authorities of the United States at ports in territory under military government are hereby directed to perform the duties formerly belonging to United States consuls or consular officers in such territory, so far as concerns seamen, vessels, clearances, etc.

Official fees and dues collected on this account were ordered to be deposited and accounted for as prescribed for customs collections.

General Orders, No. 49, of the military governor, dated October 23, 1899, provided as follows:

> The customs tariff and regulations promulgated in general orders of 26th of *last October*, from this office, having been amended from time to time since that date, the following revised printed schedule of the same, which contains all amendments to September 1, last, is published for the information and guidance of all concerned.

The President's letter of instructions to the Philippine Commission of April 7, 1900, transferred from the military governor of the islands to the Commission "that part of the power of government in the Philippine Islands which is of a legislative nature * * * until Congress shall otherwise provide."

> Exercise of this legislative authority will include the making of rules and orders, having the effect of law, for the raising of revenue by taxes, customs duties, and imposts. * * *

It is entirely certain from the language of the President and the whole course of events that after the rati-

fication of the treaty and until September 1, 1900, "that part of the power of government in the Philippine Islands which is of a legislative nature" was exercised by the purely military authorities—that is, by the President acting through the officers of the Army. That was clearly the President's intention, understanding, and practice, founded on the belief that the war power was ample and its exercise necessary.

Various orders of the military governor promulgated from time to time, which need not be mentioned more specifically here, amended and revised the "United States provisional customs tariff and regulations for the Philippine Islands."

In the autumn of 1900 the Philippine Commission began to exercise its legislative power relative to the island tariff, and the separation of the civil from the military authority was initiated, the two authorities cooperating and sharing in the separation and evolution of the respective functions; e. g., General Orders, No. 16, military governor, dated February 15, 1901, promulgates certain regulations prepared under section 2 of the Philippine Commission's act of January 26, 1901 (1 Pub. Laws Philippine Com., p. 107), amending section 22 of the provisional customs tariff.

The act of February 28, 1901, of the Philippine Commission recites the order of the President of February 23, 1901, amending the order of May 8, 1899, already referred to, which provided for auditing officers, and enacts rules and instructions relative to the accounting system, "by authority of the President of

the United States and with the concurrence and approval of the Secretary of War first had," etc. This was the form of the enacting clause of the Commission's acts at first, which was changed by the act of Congress of July 1, 1902, to read: "By authority of the United States, be it enacted by the Philippine Commission."

On June 21, 1901, the President issued the order (promulgated in the Philippines as General Orders, No. 49, military governor, dated June 22) appointing the president of the Philippine Commission civil governor of the Philippines.

The transfer and cooperation of power is shown by military orders of July 20, 1901 (G. O., No. 179), and August 15, 1901 (G. O., No. 219). The former provided that in unorganized territory, as in organized provinces or parts thereof under military jurisdiction, revenue officers should discharge their duties as insular officers, reporting direct to the civil government. The latter directed that customs officers should be assisted in their duties by quartermasters' boats so far as possible without interference with the needful work of the Army.

In addition to the acts of the Philippine Commission above referred to the Commission passed two laws respecting the tariff up to the date of the act of Congress of March 8, 1902—a customs administrative act (February 6, 1902, 1 Pub. Laws Philippine Commission, 788), and an appropriation act which appropriated for the refund of "customs duties, fines,

penalties, and forfeitures mitigated or remitted by competent authority."

It does not seem possible to doubt the continuous intention of the Executive and the strict obedience of his subordinates respecting the war tariff. The duties on imports from the United States was always part of it.

During all the period of the war of the insurrection Congress passed laws which manifested their understanding of the situation in the Philippines and their approval of the necessary military measures taken to meet it. These were for the most part appropriation acts providing men and munitions, e. g., act of March 2, 1899 (30 Stat., 977, 981); act of March 3, 1899 (30 Stat., 1064); act of May 26, 1900 (31 Stat., 205); act of March 1, 1901 (31 Stat., 847); act of March 2, 1901 (31 Stat., 895).

The "Spooner Amendment" (act of March 2, 1901, 31 Stat., 910), which provided that "all military, civil, and judicial powers necessary to govern the Philippine Islands" should be "vested in such person and persons and shall be exercised in such manner as the President of the United States shall direct," etc., manifestly related to the period *after* ratification and necessarily implied a recognition of the exercise of executive power, including the imposition of this tariff, before the passage of that act, and authorized and approved the continuance of the existing measures thereafter.

The act of March 8, 1902 (32 Stat., 54), "temporarily to provide revenue for the Philippine Islands,"

etc., continued in force the provisions of the Philippine Commission act of September, 1901, revising and amending the tariff laws of the Philippines, and specifically provided for the collection of duties upon articles coming into the Philippine Archipelago from the United States.

Thus the Philippine tariff, initiated under the original Executive order, and continued after ratification by similar orders, recognized and authorized by the Spooner Amendment, and adopted and established by the Philippine Commission proceeding under the amendment and their "Instructions," was expressly imposed and continued by Congress, with approving recognition of the fact that the duties had continuously theretofore been duly imposed.

The act of July 1, 1902 (32 Stat., 691), providing a civil government for the Philippine Islands, "approved, ratified, and confirmed" the action of the President in creating the Philippine Commission "and authorizing said Commission to exercise the powers of government to the extent and in the manner and form and subject to the regulation and control set forth in the instructions of the President to the Philippine Commission," etc.: approved, ratified, and confirmed the action of the President as set forth in his order of July 12, 1898, "together with the subsequent amendments of said order," and approved "the action of the authorities of the government of the Philippine Islands, taken in accordance with the provisions of said order and subsequent amendments."

The opinion of the Supreme Court herein declares that in this series of authorizations and ratifications by Congress the only act needing mention is this final act of July 1, 1902; that the act ratifies the President's action, taken by virtue of his authority as commander in chief, and that the language, "the actions of the authorities of the government of the Philippine Islands, taken in accordance with the provisions of said order and subsequent amendments, are hereby approved" is confined as to its approving force to those actions "which were in accordance with the provisions of the order, which, as we have already intimated, the collection of these duties was not."

There was no meaning or purpose in Congress ratifying what the commander in chief did under the war power during the Spanish war and up to the ratification of the treaty, because that action of the Executive needed no ratification, as the long-established rules of public law and the decisions of this court show. These settled doctrines were before Congress when the ratifying acts were passed. The act of March 8, 1902, which specifically imposed and continued the Philippine tariff, recognized by its terms that those schedules had continuously theretofore been imposed by the island authorities, and therefore when the act of July 1, 1902, ratified in such express and detailed terms the entire series of Executive acts, specifying the tariff collections, it is impossible to concede or conceive that Congress only intended to ratify what the Executive could validly do under the war power during the period

between the date of the Executive order in July, 1898, and the ratification of the treaty in April, 1899.

The opinion also says that the President's order "plainly was an order intended to deal with imports from foreign countries only and Philippine ports not in the actual military control of the United States." The order directs the collection of duties upon the occupation of any ports and places in the Philippine Islands. General Orders, No. 10, of October 26, 1898, which framed regulations and schedules, applied to *every* vessel and *any* cargo, and by specific language included within this category vessels from ports of the United States. By exempting from port charges and duties supplies and materials for the use of the United States, that order created a necessary inference that other merchandise from the United States was to be taxed—manifestly the bulk of army and navy supplies would come and did come from the United States.

All of the insular cases were decided by the Supreme Court long before the final validating acts of 1902. It seems very certain that by these acts Congress confirmed *all* the Executive actions in the Philippines. There can be no doubt that the President undertook to proceed respecting the Philippine tariff, and proceeded, after the treaty was ratified, precisely as he did before, and that at all times the military and civil governors, the commanding general, and the subordinate military and civil officers acted under and in accordance with the Executive orders with exact obedience and strict response to their terms. When these trans-

actions—that is, the actions of the Executive and the acts of Congress—are exhibited in their continuity and interdependence, to say that Congress did not *intend* to ratify what was done beyond the President's acts as commander in chief *during the Spanish war*, appears not to reckon with the facts. I repeat that Congress knew that *that* action of the Executive needed no ratification whatever, and therefore its action was a legislative approval of *all* the war measures continued after the treaty ratification, including the war tariff. The court will understand that the Government also rests (in this application for reargument) on the war power as competent during the whole period, and has sought to establish that ratification was not necessary at all. But at this point—after the treaty took effect—Congress, out of abundance of caution, might have conceived that some doubt existed, and legislated accordingly.

The Government earnestly desires the opportunity of arguing those propositions again and more at length before the court.

Without magnifying possible dangers, it is evident, I think, that while the opinion of the court strikes down only the tariff on merchandise from the United States, the legality of the entire structure of civil government after the ratification of the treaty is involved and may be denied hereafter relative to other features not now presented or foreseen, if the court adheres unqualifiedly to the logic of this opinion.

The court would not regard as controlling either the large amount of money involved or the fact that the

claimants added the duties to the price of their goods. But it is worth while to point out (as accentuating the great importance of this case) that the refunds called for under the decision of the court will reach the sum of seven million dollars, and that this vast sum will be paid in large part to claimants, many of them aliens, who, as public records show, were on the whole opposing rather than supporting the authority of the United States.

HENRY M. HOYT,
Solicitor-General.

○

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN, HENRY W. PEABODY, John R. Bradlee, and Charles D. Barry, trading as copartners under the firm name and style of Henry W. Peabody & Co., plaintiffs in error,
v.
THE UNITED STATES. } No. 149.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

WARNER, BARNES & CO. (LIMITED), appellant,
v.
THE UNITED STATES. } No. 466.

APPEAL FROM THE COURT OF CLAIMS.

BRIEF OF THE ATTORNEY-GENERAL ON PETITION FOR REHEARING.

The very heavy burden of millions of dollars which the decision in this cause previously rendered will impose upon the United States for money which never came into its Treasury, impels me to file an additional brief upon the subject of ratification alone. While I concur in everything the Solicitor-General in the main

petition for rehearing has said, it has seemed to me wise to bring to the attention of the court in a somewhat different way the facts of the case as throwing light upon the construction which the act of Congress of the 1st of July, 1902, must have. I therefore venture to invite the attention of the court to a review of the history of the period covered by the payment of these taxes and the confirmatory legislation.

STATEMENT OF FACTS.

On July 12, 1898, there then being a state of war between the United States and Spain in the Philippines, President McKinley, as commander in chief, directed that upon occupation of any ports or places in the Philippine Islands by the forces of the United States an accompanying tariff of duties and taxes should be levied and collected as a military contribution, and that regulations for its administration should take effect and be in force in ports and places occupied.

He required by this order that questions arising under the tariff should be decided by the commanding general of the forces in the Philippines, and that accurate accounts of the collections should be kept and rendered to the Secretary of War. On the 13th of August the city of Manila was captured, and the next day the custom-house was opened and taxes were collected according to the old Spanish tariff in force in the islands before the American occupation, and this tariff continued to be enforced until November 10, 1898. By order of the Secretary of War the order of July 12, 1898, was suspended until

November 10, 1898, when "the Customs Tariff and Regulations for Ports in the Philippine Islands in Possession of the United States" (substantially the same as those originally accompanying the order of July 12, 1898) were put in force. Such "Customs Tariff and Regulations," amended and revised, were issued by the military governor in General Orders No. 10, Manila, October 26, 1898, to take effect November 10, 1898.

These regulations expressly applied to vessels and cargoes from ports of the United States in respect of the production of a manifest certified by the United States collector at port of sailing. Section 19 imposed as a harbor charge a charge of 8 per cent on the value, as per schedule, of all merchandise, free or dutiable imported into the Philippines and 10 per cent additional on the amount of the import duty; "but merchandise imported or exported for the use of the Government of the United States, including coal, shall be exempt from this charge." Section 22 provided that all supplies and materials for the use of the Army and Navy of the United States should, under suitable restrictions, be admitted without payment of duty. At the close of the schedule of import and export duties was the following sentence: "The duty, percentum of duty, surtax, consumption, tonnage tax, wharf and warehouse charges, and all the charges herein provided for shall be collected in uniform manner regardless of the country of the origin or exportation of merchandise to Philippine ports in the possession of the United States, and all decrees and orders to the contrary are rescinded."

Under these customs and tariff regulations duties were levied on all goods coming into the Philippines from the United States except those which were exempt, as above quoted, and accounts of the collectors were regularly forwarded to the Secretary of War and the President, who never objected to the same. In December, 1898, the "Customs Tariff and Regulations" prescribed to take effect November 10, 1898, was amended, by striking out two words, by order of the military governor. On April 10, 1899, two months after the Senate ratified the treaty of Paris, nearly two months after the Queen Regent ratified the treaty for Spain, and only one day before ratifications were exchanged and the treaty was finally proclaimed, the acting Secretary of War, by direction of the President, added a paragraph to the "Customs Tariff and Regulations" for the Philippine Islands then in force, by virtue of the order of July 12, 1898. Is it possible that the President issued this order of April 10, 1899, intending its operation to cease the next day? Less than one month later, May 3, 1899, the President issued an executive order reciting that by virtue of the authority vested in him as Commander-in-Chief of the Army and Navy he directed that during the occupancy by the military authorities of the United States of the islands of the Philippine Archipelago and the island of Guam said islands should constitute a collection district for customs purposes. The order made Manila the chief port of entry and Iloilo and Cebu subports, provided for the detail of an officer of the Army as col-

lector, authorized the opening of subports from time to time by the Secretary of War, directed that all moneys should be deposited in the treasury of the islands, and ordered that all questions arising in the administration of the customs should be referred to the collector of the islands for his decision, with an appeal in cases referred by the collector, to the Secretary of War. Now, this order of May 3, 1899, is wholly ineffective and meaningless unless construed as an amendment of the order of July 12. It was issued by the President in the same capacity as Commander in Chief as that in which he issued the order of July 12, 1898. It referred to the duties to be collected in the ports in the occupancy of the military authorities of the United States, and it necessarily assumed the existence and continuing application of a tariff schedule which, of course, could only be the one accompanying and made part of the order of July 12, 1898, and amended as late as April 10 previous, by order of the President. Not only is this the natural and inevitable construction of the executive order of May 3, 1899, but it actually received that construction by the Secretary of War and military governor and was enforced as such by them, and they continued to assess duties on goods coming from the United States, as well as from elsewhere, not only with full knowledge and approval of the President, who made all these orders, but also, as we shall see, with the full knowledge of Congress. On October 23, 1899, the military governor, for convenience, published the "Cus-

toms Tariffs and Regulations" promulgated October 26, 1898, with all the amendments down to September 1, 1899, and added: "Upon the occupation of any ports or places in the Philippine Islands by the forces of the United States not as yet in United States occupancy this order will be proclaimed and enforced."

By reference to Senate Document 171 (submitted herewith), which was a letter from the Secretary of War in response to Senate resolution of January 22, 1902, transmitting copies of all correspondence between the War Department or any official thereof and any person or corporation relating to the customs tariff affecting the Philippine Islands adopted by the Philippine Commission, we find an inquiry made of the Secretary of War by an American firm dated October 2, 1899, as to the duty imposed on American whisky entering the Philippine Islands, a reference of the inquiry by the Secretary to the military governor, and an answer by the collector of customs returned to the Secretary of War, that the classification undoubtedly discriminates against American whiskies of a certain class, but that it does not check their importation. The same document contains a petition, dated April 20, 1899, by American merchants in the Philippines to the Chamber of Commerce of San Francisco, asking a reduction of duties which had since American occupation been imposed on American goods imported into the islands, and complaining of discrimination against American goods. This petition was forwarded to the President, and by him referred to the War Department, and by it to the

islands, and returned with an indorsement, dated October 7, 1899, of the military governor, stating in effect that uniform duties were imposed on goods imported from Spain and the United States. The same document shows a continuing correspondence and discussion concerning the tariff between the military governor and the Secretary of War, extending from April, 1899, until June, 1900, when the Secretary of War directed the military governor to appoint a board to revise "the United States provisional customs tariff and regulations for those islands" (p. 34, Doc. 171—see also General Orders No. 80, June 9, 1900). The report of this board was transmitted to the Philippine Commission on the 29th of August, 1900 (see Doc. 171 p. 35), with the direction that the new tariff as recommended by the Commission should be submitted to the Secretary of War for his action, and after approval by him that a promulgating order would be issued putting it in force. December 29, 1900, the new tariff bill recommended by the Commission was forwarded by the chairman to the Secretary of War. That contained as its section 9 the following:

> Importations from the United States are dutiable under the provisions of this act, but no customs duties shall be imposed on articles, goods, and merchandise transported only from one place or port to another place or port in the Philippine Islands.

This was not introducing a new policy, but was only an explicit declaration of that which had been enforced under the existing tariff. The proposed tariff reached

the Secretary of War in February and was ordered printed by him. (Doc. 171, p. 159.) Then followed a long correspondence between interested American merchants and the Secretary of War in regard to the tariffs. In one of the letters to the *chairman of the* Philippine Commission (Doc. 171, pp. 284, 285), dated March 21, 1901, written by the Chief of the Insular Bureau, it is said, "Confidentially, I might add the Secretary does not desire any promulgation of the finally determined Philippine tariff before the decision of the Supreme Court in the Porto Rican case is handed down." On May 27 the Porto Rican cases were decided.

As soon as the opinion was received and construed, the Secretary of War sent June 28, 1901, the following cable dispatch (now on file in the War Department) to the chairman of the Commission at Manila:

JUNE 8, 1901.

TAFT, *Manila:*

Supreme Court holds that uniformity of duties clause of constitution does not apply to government of islands ceded by Spain; that Congress has power to impose customs duties on imports from Porto Rico, and that such duties levied under the Foraker Act are lawful. The court also holds that imposition of duties on merchandise imported from the United States into Porto Rico before the cession was a valid exercise of the President's power as military commander, and that the same duties imposed after the cession and before the passage of the Foraker Act were invalid, because the

United States having both title by cession and peaceable possession, Porto Rico ceased to be a foreign country within the terms of the Dingley tariff. The court did not decide *the case raising* the question of the power of Congress to impose duties in Porto Rico on imports from the United States, which is objected to as constituting an export tax in violation of Constitution, article 1, section 9. The court did not decide the case which raised the question of the right of the President to impose duties in the United States, under the Dingley act, upon merchandise imported from the Philippine Islands after the ratification of the treaty of Paris. The most obvious distinction between the status of Porto Rico and the Philippines, after the cession, indicated in the opinions of the court, is in the fact that Porto Rico was at the time of cession in full peaceable possession, while a state of war has continued in the Philippines.

As the question of the President's power to impose duties in the Philippine Islands under the existing conditions of military occupation has not been decided by the court, the President has determined to continue to impose duties as heretofore. We hope for further decisions by the Supreme Court shortly after it meets in October and before the meeting of Congress. The revision of the Philippine tariff, proposed by you, will be considered in a few days. The temporary suspension of legislation in Edwards's dispatch of June 1 is removed.

ROOT, *Sec. War.*

Sent straight 6.15 p. m. Sq.

On the 3d of July, 1901, the Secretary of War, by order of the President, approved the new tariff bill prepared by the Commission and revised in the War Department and forwarded it to the Philippine Commission July 24, 1901. The tariff was finally enacted by the Philippine Commission September 17, 1901, and was put in force by its terms November 15, 1901. It was act No. 230 of the Philippine Commission and was entitled "An act to revise and amend the tariff laws of the Philippine Archipelago." The enacting clause is as follows: "By the authority of the President of the United States and with the approval of the Secretary of War first had, be it enacted by the United States Philippine Commission."

Section 1 of the act is as follows:

> SECTION 1. The provisions of General Orders No. 49, office of the United States military governor in the Philippine Islands, dated October 23, 1899, relating to customs duties on imports and exports of the Philippine Islands and tonnage duties and wharf charges therein, and the several orders supplemental thereto and amendatory thereof, are hereby amended to read as follows:

General Order No. 49 was an order promulgating the tariff duties imposed by order of the President of July 12, 1898, as amended and revised down to September 1, 1899. On the 2d of December, 1901, the case of the Fourteen Diamond Rings (183 U. S., 176), involving the right to impose duties on goods received from the Philippine Islands, was decided and no dis-

tinction was admitted to exist between the Philippines and Porto Rico. On December 13, 1901, the Ways and Means Committee submitted a Philippine tariff bill for enactment, with a report in which they said (H. R. Report No. 4, 57th Congress, 1st session):

> This bill is designed to raise revenue for the government and benefit of the Philippine Archipelago. It is intended to restore the status which existed prior to the late decision of the Supreme Court in the case of the diamond rings, rendered on the second day of the present month. Prior to that decision the Government had been collecting duties on goods coming into the United States from the Philippine Archipelago at the same rates as those provided in our tariff laws for like articles imported from "foreign countries." The court holds that the Philippine Archipelago is not a foreign country and therefore the general law does not apply. This bill extends the rate now existing upon imports from foreign countries to articles brought in from the Philippine Islands. In the Philippine Archipelago when it came into our possession under the treaty of Paris the Spanish laws for the collection of tariff were in force. These were continued with various modifications from time to time until the enactment of "An act to revise and amend the tariff laws of the Philippine Archipelago" by the United States Philippine Commission.

The same report was made by the Senate Committee on the Philippines, and thereafter, on March 8, 1902 (32 Stats., 54), Congress enacted "That the pro-

visions of an act entitled 'An act to revise and amend the tariff laws of the Philippine Archipelago,' enacted by the United States Philippine Commission on the 17th day of September, 1901, *shall be and remain in full force and effect*, and there shall be levied, collected, and paid upon all articles coming into the Philippine Archipelago from the United States the rates of duty which are required by the said act to be levied, collected, and paid upon like articles imported from foreign countries into said archipelago."

About the time of the passage of this act and for months thereafter evidence was taken by both Houses as to the conditions in the Philippine Islands, and it was made known to the House and Senate that suits were likely to be brought to recover moneys paid on goods imported from the United States into the Philippine Islands. (See hearings before House Committee on Insular Affairs, evidence of Wm. H. Taft, p. 139; hearings before Senate Committee on Philippines, evidence of William H. Taft, pp. 149–154.) The proceedings of the military governor, the Army, the Commission, the instructions to it by President McKinley, and all that was done in the islands under American occupancy were brought to the notice of Congress and special attention was given to the needs of the islands for income and the expenditures.

The instructions of the President to the Philippine Commission dated April 7, 1900, conferred *quasi*-civil legislative authority of wide scope upon the Commission as the legislature of a military government, and among other powers was this:

> Exercise of this legislative authority will include the making of rules and orders having the effect of law for the raising of revenue by taxes, custom duties, and imposts. * * *

Finally, as the result of six months' discussion and hearing, Congress passed on July 1, 1902 (32 Stats., 691), the act entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," and the first two sections were evidently intended to confirm and satisfy all that the President and his subordinates in the islands had done without Congressional sanction. The two sections were as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the action of the President of the United States in creating the Philippine Commission and authorizing said Commission to exercise the powers of government to the extent and in the manner and form and subject to the regulation and control set forth in the instructions of the President to the Philippine Commission, dated April seventh, nineteen hundred, and in creating the offices of civil governor and vice-governor of the Philippine Islands, and authorizing said civil governor and vice-governor to exercise the powers of government to the extent and in the manner and form set forth in the executive order dated June twenty-first, nineteen hundred and one, and in establishing four executive departments of government

in said islands as set forth in the act of the Philippine Commission, entitled "An act providing an organization for the departments of the interior, of commerce and police, of finance and justice, and of public instruction," enacted September sixth, nineteen hundred and one, is hereby approved, ratified, and confirmed, and until otherwise provided by law the said islands shall continue to be governed as thereby and herein provided, and all laws passed hereafter by the Philippine Commission shall have an enacting clause as follows: "By authority of the United States be it enacted by the Philippine Commission." The provisions of section eighteen hundred and ninety-one of the Revised Statutes of eighteen hundred and seventy-eight shall not apply to the Philippine Islands.

Future appointments of civil governor, vice-governor, members of said Commission, and heads of executive departments shall be made by the President, by and with the advice and consent of the Senate.

SEC. 2. That the action of the President of the United States heretofore taken by virtue of the authority vested in him as Commander in Chief of the Army and Navy, as set forth in his order of July twelfth, eighteen hundred and ninety-eight, whereby a tariff of duties and taxes as set forth by said order was to be levied and collected at all ports and places in the Philippine Islands upon passing into the occupation and possession of the forces of the United States, *together with the subsequent amendments of*

said order, are hereby approved, ratified, and confirmed, and the action of the authorities of the government of the Philippine Islands, *taken in accordance with the provisions of said order and subsequent amendments*, are hereby approved: Provided, That nothing contained in this section shall be held to amend or repeal an act entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes," approved March eighth, nineteen hundred and two.

ARGUMENT.

The foregoing statment shows the facts and circumstances under which Congress passed section 2 of the act of July 1, 1902. The question was whether Congress had by section 2 ratified the collection of the sum sought to be recovered in this suit. Mr. Justice Holmes answers the question as follows:

> We see no sufficient ground for saying that the collection of these duties has been ratified by Congress. The only act needing mention is that of July 1, 1902 (chapter 1369, section 2, 32 Stat., 691, 692). The act ratifies the action of the President heretofore taken by virtue of the authority vested in him as Commander in Chief of the Army and Navy, as set forth in his order of July 12, 1898, etc., together with the subsequent amendments to that order; and the actions of the authorities of the government of the Philippine Islands taken in accordance with the provisions of said order and subsequent amendments are hereby approved. Without considering how far the first part of the section

> extends, the approval of the action of the authorities is confined to those which were in accordance with the provision of the order, which, as we already have intimated, the collection of these duties was not. See further *De Lima* v. *Bidwell*, 182 U. S., 1, 199, 200.

It is difficult to follow the reasoning of the learned justice. The section approves "the actions of the government of the Philippine Islands" "taken in accordance with the provisions of said order *and subsequent amendments.*" He says that "the approval of the action of the authorities is confined to those which were in accordance *with the order* which, as we have already intimated, the collection of these duties was not." With deference, the approval is not confined to those actions in accordance with the order, but is expressly and *ex industria* extended to include those which were taken in accord *with subsequent amendments.* Is it possible that actions taken in accord with subsequent amendments are to be excluded from the remedial effect of the statute because they were not in accord with the original order? Why add the words subsequent amendments at all? It is true the words are in accordance "with the said order *and* subsequent amendments," but I submit that it is an unheard of construction to treat "order *and* subsequent amendments" in any other than a distributive sense so that its meaning shall cover actions in accord either with the original order *or* its amendments. Look at the matter a little differently. Assume actions taken when the original order was in force in which case they

must have been in accordance with the original order to come within the ratification. Assume them taken when the order was modified by subsequent amendments in which case they must have been in accord with the order as subsequently amended. The order and subsequent amendments were not in force at the same time. The amendments necessarily modified the order and actions taken in accord with the amendments when in force were necessarily in accord with the order *and* the subsequent amendments, i. e., with the order as amended.

By previous discussion in the opinion the learned justice limits the effect of the original order of July 12, 1898, to the period of the war with Spain preceding the peace and construed it not to justify the imposition of duties upon goods coming from the United States, and so it followed if actions approved by section 2 were limited to those taken in accordance with the original order the duties in question were not within the ratification. It is very difficult to reconcile this construction of the order with the language of the schedule of duties which accompanied the order, and was as much the act of the President as the order itself, especially wherein it is recited as follows:

> The duty, per centum of duty, surtax, consumption, tonnage, tax, wharf, and warehouse charges and all the charges herein provided for, shall be collected in uniform manner, regardless of the country of origin or exportation of merchandise to Philippine ports in possession of the United States and all decrees and orders to the contrary are rescinded.

When this is shown to have been construed to justify duties on merchandise from the United States by every official from the President down, and even the complainants here have not contended otherwise, for they have brought no suit for taxes imposed during the war, it makes the meaning of the language still more clear.

But even conceding such a construction of the order of July 12, 1898, to be correct (though, as we have seen, it is in the teeth of the actual construction which the President put on it), on the ground that only in this way can the action of the President be squared with his lawful powers, we must abandon this rule of construction when we come to consider those subsequent amendments of the order that were, according to the opinion of the court, plainly *ultra vires* and not to be reconciled with his powers. As we have seen, the President, through the Secretary of War, amended the customs regulations under the order of July 12, 1898, by order of April 10, 1899. Then the treaty had been ratified by both powers and these ratifications were to be exchanged the next day. Is such a Presidential order consistent with the view that he intended the amended order to cease to have effect the next day?

Take again the order of May 3, 1899, which plainly continued the order of July 12, 1898, modifying it in some respects, but giving force to its schedules long after the Spanish war had ended and the treaty of cession was ratified. What construction is that to have for purposes of ratification but the construction

which President McKinley intended it to have, what his officers gave it with his knowledge, and what he subsequently approved as the proper construction. Under such circumstances it is, of course, impossible to restrain the meaning of an order from its natural one to square with delegated authority when the conflict between the two is irreconcilable by reasoning however strained. The only conclusion is—indeed the natural conclusion is—that the legislative power recognizing the lack of authority intended to supply it by ratification. I confess myself unable to see why the court should decline to follow what is so plain that he that runs may read. We must then have recourse to the ordinary rule of construction which is to follow the intention of the person making the order, and when we can ascertain his intention by what was done under the order with his approval we are clearly right in adopting that as its true meaning. The statement of facts will have utterly failed in its purpose if it does not show that by the order of May 3, 1899, the President intended to amend the order of July 12, 1898, by treating it in force after the war and by continuing it with a few amendments, that he intended thereby to impose duties on goods coming from the United States and that the collection of duties accordingly was known to him and approved by him. Furthermore, the statement of facts shows that Congress knew of these subsequent amendments to the order of July 12, 1898, and knew that the President had intended the collection of the taxes as they were collected on goods coming from the United

States. In the light of these facts known to Congress, it is impossible to construe the Congressional approval of section 2 as covering less than the collections made under the subsequent amendments to the order of July 12, 1898, with the approval of the President, or the taxes in suit.

The question of ratification is a question of intention to be determined by the language of the ratification in the light of the circumstances. Congress was here ratifying an order of the President, and its amendment and acts done in pursuance of them. Acts done in pursuance of a President's order are usually those acts which the President intended to authorize, and when the facts show that he actually approved the acts done they tend strongly to show that he intended to authorize them, and therefore that they were intended to be ratified by Congress.

I ought to add that a narrow construction of section 2 is wholly unjustified when the character of the legislation of which it is a part is considered. Congress was fully advised that President McKinley, both in Porto Rico and in the Philippines, was without guide or precedent in his policy; that he had to pioneer; that, while Congress came to his rescue early in respect to Porto Rico, he was left substantially for three years without Congressional assistance, and that in carving a path through a new forest, in assuming responsibilities which he could not shift, he might have adopted, and, in the light of the decisions of this court, he did adopt methods which

were beyond his powers for want of Congressional sanction. When Congress examined closely what he had done, it approved and it determined to make up for its lack of aid and its hardly excusable timidity in action by a generous ratification of what he had done. This is perfectly plain from the first section, and I submit it is wrenching the plain purpose and meaning of Congress in dealing with the second section to use dialectics to prevent its having any meaning or force at all.

The reasoning of the opinion certainly justifies the conclusion that it was not intended to put the decision of this case on the ground that Congress could not ratify by subsequent act the collection of the duties here sought to be recovered. It is true that in the case of *De Lima* v. *Bidwell*, to which reference is made in this opinion, there is an *obiter dictum* to the effect that Congress could not ratify the collection of taxes imposed without previous authority after a suit had been brought to recover such taxes. It is submitted that under the decisions in the case of *Mattingly* v. *District of Columbia* (97 United States, 687), and in *Hamilton* v. *Dillin* (21 Wallace, 73, 96), it is distinctly ruled that Congress has the power to validate the collection of taxes which were invalid by reason of a failure of Congress to act when collected. If this be true, then it is respectfully urged that there is no logical distinction between the ratification of the collection of such taxes before and after suit brought. The objection can not be that the ratification after suit brought disturbs

vested rights to recover the taxes, because the right is just as much vested under principles of constitutional law before as after suit brought. The bringing of a suit does not change the nature of the right, and it is not until judgment is recovered that its nature can be said to be changed. The real ground for the decision in *De Lima* v. *Bidwell* was that sustained by the authorities cited, to wit, that the presumption in respect of ambiguous legislation claimed to affect previously existing rights is ordinarily against its being retroactive; but such presumption of course can not obtain in case of an express ratification like this on its face intended to be retroactive. It is submitted that the real limitation upon the power of Congress to ratify the collection of taxes, or any other act as against third persons, is that between the time of the unauthorized act and of the ratification nothing shall have occurred changing the situation of the person affected by the ratification, so that by reason of the ratification he is put in a worse position than he would have been if the act had been previously authorized. If not, there would seem to be no reason why ratification should not have its full operation; and in this case and in this class of cases there is the strongest reason why ratification should apply. Here what is protested against, and what is sought to be made the basis of the recovery, is a general construction of a customs law having the effect of raising the prices of goods imported so that the plaintiffs, the merchants who are importing them, have been able to reimburse themselves for the

duties paid in the additional price of the goods. It is no hardship on them, therefore, that the taxes, though originally erroneously assessed, should be made legal by subsequent enactment; and the mere difference between a right to recover before suit brought and after suit brought makes an arbitrary distinction with no logical foundation at all.

Even if we assume that the distinction suggested in *De Lima* v. *Bidwell*, as to the lack of power of Congress to ratify the collection of taxes after suit brought in assumpsit to recover them back is sound and that the judgment herein should therefore be for the complainants, it is nevertheless of the utmost importance to the Government that this be established as the real ground for the decision rather than a construction of the second section of the act of July 1, 1902, as not intending to ratify the collection of taxes like those in suit; a construction which we hope we have shown and respectfully contend to be unsupported by the facts and the law. The reason for the importance to the Government of the ground upon which this case is to be decided, if it must be decided in favor of the complainants, is that there are doubtless claims amounting to more than a million dollars, on which suit was not brought before July 1, 1902, the date of the ratifying act, but upon which suits have been and will be brought in view of the present decision of the court. For these reasons we think it of the utmost importance to the Government that an opportunity should be given for a reargument,

in which the question of construction and ratification may be given a much fuller consideration, in view of all the history of this legislation, than, as it is respectfully submitted, it has heretofore had.

WILLIAM H. MOODY,
Attorney-General.

O

FILE COPY

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINDEN, HENRY W. PEABODY, JOHN R. BADLAM, and CHARLES D. HENRY, trading as partners under the firm name and style of HENRY W. PEABODY & CO., plaintiffs in error,

vs.

THE UNITED STATES.

No. 149.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

WARNER, BARNES & CO. (LIMITED), claimants of the British Bk. "——,"

vs.

THE UNITED STATES.

No. 150.

APPEAL FROM THE COURT OF CLAIMS.

ON PETITION FOR A REHEARING.

STATEMENT OF THE CASE.

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN, HENRY W. Peabody, JOHN R. Bradlee, and Charles D. Barry, trading as co-partners under the firm name and style of Henry W. Peabody & Co., plaintiffs in error,
v.
THE UNITED STATES. } No. 149.

IN ERROR TO THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

WARNER, BARNES & CO. (LIMITED), appellant,
v.
THE UNITED STATES. } No. 466.

APPEAL FROM THE COURT OF CLAIMS.

ON PETITION FOR REHEARING.

STATEMENT OF CLAIMS FILED.

We submit to the court the following statement of claims filed, which would come under the decision herein, for refund of duties. The clerk of the Court of Claims states that this list is complete

and accurate to date. It is evident that additional claims are being presented from day to day. The list is arranged to show the aggregate of claims up to July 1, 1902, and the aggregate of claims since that date and up to the present time.

CLAIMS FILED UP TO JULY 1, 1902.

22757. Jan.	18, 1902.	Warner, Barnes & Co	$162, 253. 29
22758. Jan.	20, 1902.	Warner, Barnes & Co	326, 386. 62
22760. Jan.	25, 1902.	Smith, Bell & Co	1, 216, 000. 00
22761. Jan.	25, 1902.	Smith, Bell & Co	4, 000. 00
22762. Jan.	25, 1902.	Smith, Bell & Co	445, 000. 00
22763. Jan.	25, 1902.	Smith, Bell & Co	244, 000. 00
22808. Feb.	27, 1902.	Guiterrez Hermanos	138, 939. 97
22809. Feb.	27, 1902.	Juan B. Gomez	19, 753. 75
22810. Feb.	27, 1902.	Juan B. Gomez	3, 127. 09
22812. Mar.	3, 1902.	Warner, Barnes & Co	700. 00
22813. Mar.	3, 1902.	Warner, Barnes & Co	2, 104. 00
22816. Mar.	5, 1902.	Perez & Co	1, 400. 00
22817. Mar.	5, 1902.	Perez & Co	16, 000. 00
22823. Mar.	13, 1902.	Ker & Co	180, 000. 00
22824. Mar.	13, 1902.	Ker & Co	131, 000. 00
22825. Mar.	13, 1902.	Ker & Co	4, 300. 00
22826. Mar.	13, 1902.	Ker & Co	49, 000. 00
22846. Apr.	3, 1902.	Walter F. Stevenson et al	24, 084. 37
22860. May	3, 1902.	Warner, Barnes & Co	300, 000. 00
22879. May	19, 1902.	Jacob Hankrom	72, 568. 43
22901. June	21, 1902.	Pacific Oriental Trading Co	4, 280. 00
22902. June	21, 1902.	Pacific Oriental Trading Co	1, 587. 39
22903. June	21, 1902.	Pacific Oriental Trading Co	5, 632. 33
22904. June	21, 1902.	Pacific Oriental Trading Co	104, 374. 53
22905. June	21, 1902.	Pacific Oriental Trading Co	33, 148. 86
22907. June	25, 1902.	Robinson & Co	8, 000. 00
22908. June	25, 1902.	Compañía General de Tabacos	25, 984. 64
		Total	$3, 523, 618. 07

CLAIMS FILED ON AND SINCE JULY 1, 1902.

22913. July	1, 1902.	McLeod & Co	$360, 000. 00
22914. July	1, 1902.	C. Heinszln & Co	125, 000. 00
23117. Nov.	28, 1902.	Pacific Oriental Trading Co	125, 761. 18
24313. Oct.	30, 1903.	The American Commercial Co	3, 011. 37
24314. Oct.	30, 1903.	The American Commercial Co	267, 556. 21
24315. Oct.	30, 1903.	The American Commercial Co	3, 591. 52
24316. Oct.	30, 1902.	The American Commercial Co	550, 875. 34
			$1, 435, 795. 62

			Forward	$1,435,795.62
27736.	Apr.	11, 1905.	Stahl & Rumcker	6,500.00
27737.	Apr.	11, 1905.	Lenora T. Aylade Xobel	5,500.00
27738.	Apr.	11, 1905.	Fabricade Tabacos la Insular	400.00
27739.	Apr.	11, 1905.	Alfredo Chicote Beltran or Alfredo Chicote	5,500.00
27757.	Apr.	12, 1905.	The Standard Oil Co. of New York	173,221.44
27772.	Apr.	17, 1905.	John M. Switzer	20,000.00
27773.	Apr.	17, 1905.	Calder & Co	4,000.00
27774.	Apr.	17, 1905.	Lambert & Presty	2,600.00
27775.	Apr.	17, 1905.	Manila Navigation Co	3,100.00
27776.	Apr.	17, 1905.	Philippine Lumber and Development Co	1,400.00
27777.	Apr.	17, 1905.	J. Parsons	3,000.00
27778.	Apr.	17, 1905.	Teodore de los Reyes	1,900.00
27779.	Apr.	17, 1905.	Successors of R. Bren	375.00
25425.	June	15, 1904.	Cosme Blanco Herrera et al	35,000.00
26013.	Aug.	18, 1904.	Kuenzle & Strieff	140,000.00
26014.	Aug.	18, 1904.	Kuenzle & Strieff	175,000.00
26015.	Aug.	18, 1904.	Holliday, Wise & Co	117,000.00
27176.	Dec.	22, 1904.	Edward A. Keller Sturche	79,790.89
27177.	Dec.	22, 1904.	Edward A. Keller Sturche	2,226.27
27306.	Jan.	16, 1905.	American Sugar Refining Company	113,946.90
27379.	Feb.	4, 1905.	Use of Carmon & Co	6,000.00
27381.	Feb.	4, 1905.	Augustine Medel	31,425.00
27591.	Apr.	1, 1905.	Campanía General de Tabacos de Filipinas	25,936.55
27592.	Apr.	1, 1905.	E. C. McCullough & Co	72,050.00
27593.	Apr.	1, 1905.	Ynchausti Companie	9,740.00
27594.	Apr.	1, 1905.	American Hardware and Plumbing Co	14,610.00
27595.	Apr.	1, 1905.	Newhall & Fenner	5,357.00
27596.	Apr.	1, 1905.	Findlay & Co	19,967.00
27597.	Apr.	1, 1905.	Macondray & Co	40,395.00
27598.	Apr.	1, 1905.	Sackerman & Co	73,050.00
27599.	Apr.	1, 1905.	Lutz Moll & Co	100,000.00
27600.	Apr.	1, 1905.	Behm, Myer & Co	200,000.00
27607.	Apr.	1, 1905.	Companie General de Tabacos de Filipinas	217,628.16
27608.	Apr.	1, 1905.	Sprungli & Co	3,477.86
27610.	Apr.	1, 1905.	Luchsinger & Co	5,000.00
27711.	Apr.	10, 1905.	Rita Donaldson Sim Valdez	30,000.00
27712.	Apr.	10, 1905.	Manuel T. Figueras	20,500.00
27713.	Apr.	10, 1905.	Compania Maritima	5,750.00
27727.	Apr.	10, 1905.	Conrad Struckmann et al.[a]	8,442.83
				$3,215,585.52

[a] Total of this claim is $184,723.77 Mexican currency; $176,280.94 is for duties on imports from Spain.

			Forward	$3,215,585.52
27728.	Apr.	11, 1905.	Hoskyn & Co	4,700.00
27729.	Apr.	11, 1905.	Union Farmacentica Filipinas	2,100.00
27730.	Apr.	11, 1905.	Cesar Garcia, administrator of one Gomez	150,000.00
27731.	Apr.	11, 1905.	Manuel Earnshaw & Co	3,900.00
27732.	Apr.	11, 1905.	Juan Tuason, liquidator of G. Hollman & Co	40,000.00
27733.	Apr.	11, 1905.	Meerkamp & Co	900.00
27734.	Apr.	11, 1905.	Reyes & Smith	25,000.00
27735.	Apr.	11, 1905.	Kuenzle & Streiff	3,400.00
27780.	Apr.	17, 1905.	Forbes, Munn & Co	50,000.00
27781.	Apr.	17, 1905.	Felix Ullmann	5,000.00
27782.	Apr.	17, 1905.	E. J. Smith	25,000.00
27783.	Apr.	17, 1905.	D. H. Gulick	2,500.00
27650.	Apr.	10, 1905.	Levy Brothers	5,000.00
27651.	Apr.	10, 1905.	Henry D. Wolf	5,500.00
27652.	Apr.	10, 1905.	Erlanger & Galinger	20,000.00
27653.	Apr.	10, 1905.	Heacock & Freer	5,000.00
27654.	Apr.	10, 1905.	Carlos Gsell	4,600.00
27655.	Apr.	10, 1905.	L. J. Lambert	3,000.00
27656.	Apr.	10, 1905.	Daniel Denniston	2,000.00
27657.	Apr.	10, 1905.	The B. W. Cadwallader Co	7,000.00
27658.	Apr.	10, 1905.	John Gibson	3,500.00
27659.	Apr.	10, 1905.	El Verdadero de Manila	10,000.00
27660.	Apr.	10, 1905.	The Singer Manufacturing Co	8,500.00
27661.	Apr.	10, 1905.	Mariano y Chaco	5,000.00
27662.	Apr.	10, 1905.	M. A. Clarke	15,000.00
27663.	Apr.	10, 1905.	Greilsammer Bros	1,200.00
27664.	Apr.	10, 1905.	Camille Alkam	7,500.00
27665.	Apr.	10, 1905.	Francisco Reyes	7,000.00
27666.	Apr.	10, 1905.	Froloch & Kuttner	12,000.00
27667.	Apr.	10, 1905.	J. F. Ramirez	4,100.00
27668.	Apr.	10, 1905.	Rafael Reyes	15,000.00
27669.	Apr.	10, 1905.	San Miguel Brewery	4,600.00
27670.	Apr.	10, 1905.	J. M. Tuason & Co	8,000.00
27671.	Apr.	10, 1905.	Alfredo Roensch	8,000.00
27672.	Apr.	10, 1905.	N. T. Hashim & Co	30,000.00
27673.	Apr.	10, 1905.	Pons & Co	100.00
27674.	Apr.	10, 1905.	Santos and Jaehrling	2,200.00
27675.	Apr.	10, 1905.	Blanc and Brunschwig	1,400.00
27676.	Apr.	10, 1905.	Paul Hube	2,400.00
27677.	Apr.	10, 1905.	Serre & Co	600.00
27678.	Apr.	10, 1905.	Vinda de M. Soler	1,900.00
27679.	Apr.	10, 1905.	A. G. Librant, Siegert	1,400.00
27680.	Apr.	10, 1905.	Ramon Moutes	2,100.00
27681.	Apr.	10, 1905.	Lutz & Co	1,600.00
				$3,733,285.52

		Forward	$3,733,285.52
27682.	Apr. 10, 1905.	Rita Donaldson Sim Valdez	10,000.00
27683.	Apr. 10, 1905.	La Compania Elextricista	8,200.00
27801.	Apr. 19, 1905.	W. F. Stevenson & Co	194,163.89
27820.	Apr. 24, 1905.	Angel Ortigm	30,480.00
27830.	Apr. 26, 1905.	Rueda Hermanos	1,417.00
27831.	Apr. 26, 1905.	Hubert y Guamis	1,800.00
27832.	Apr. 26, 1905.	Vinda de E. Bota	600.00
27833.	Apr. 26, 1905.	Cortijo & Co	650.00
27834.	Apr. 26, 1905.	Perez Hermanos	350.00
27835.	Apr. 26, 1905.	Luciano Cordoba	1,600.00
			$3,982,546.41

In the following cases preliminary petitions have been filed alleging indebtedness generally:

27848.	May 3, 1905.	David Sampson	$100,000.00
27849.	May 3, 1905.	Zeetvion	15,000.00
27850.	May 3, 1905.	H. Price	8,000.00
27851.	May 3, 1905.	James Norton	5,000.00
27852.	May 3, 1905.	Mariana Velasco	4,000.00
27853.	May 3, 1905.	Weingarten Brothers	3,000.00
27854.	May 3, 1905.	Tanjoco Company	3,000.00
27855.	May 3, 1905.	Woodward Company	3,000.00
27856.	May 3, 1905.	Luttrell Darley	2,000.00
27857.	May 3, 1905.	Phil Seldner	1,000.00
			$144,000.00

RECAPITULATION.

Total claims filed up to July 1, 1902	$3,523,618.07
Total claims filed on and since July 1, 1902	3,982,546.41
Petitions alleging indebtedness generally	144,000.00
Grand total	$7,650,164.48

WILLIAM H. MOODY,
Attorney-General.

HENRY M. HOYT,
Solicitor-General.

O

FILE COPY

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN ET AL., plaintiffs in error, v. THE UNITED STATES. No. 349

WARNER, BARNES & CO. (LIMITED), appellant, v. THE UNITED STATES. No. 460

MOTION FOR LEAVE TO FILE.

CORRESPONDENCE AS TO SUBSTITUTE OF SEALED STOCK.

In the Supreme Court of the United States.

OCTOBER TERM, 1904.

FREDERICK W. LINCOLN ET AL., plaintiffs in error, *v.* THE UNITED STATES. } No. 149.

WARNER, BARNES & CO. (LIMITED), appellant, *v.* THE UNITED STATES. } No. 466.

ON PETITION FOR REHEARING.

CORRECTION AS TO STATEMENT OF CLAIMS FILED.

We inform the court that our statement of claims filed is erroneous in that we assumed the amounts to be in American currency, whereas many are in Mexican dollars. Furthermore, the list submitted to the court contained some claims of export duties and other items not involving the import tariff at all or imports from foreign countries. The list has now been carefully revised and corrected, and is appended hereto in accurate form. Claims on imports from *Spain* have been retained because of the provision of the treaty (Art. IV) that "the United States will, for the term of ten years from the date of the exchange of the ratifications of the present

treaty, admit Spanish ships and merchandise to the ports of the Philippine Islands on the same terms as ships and merchandise of the United States."

The information originally given us led us to think that either the claims expressed American currency on their face, or that they had been reduced to that currency before the list was transmitted to us. We have just discovered these mistakes (which were inadvertent), and hasten to apprise the court that the amount of refunds due under the decision will not be $7,650,164.48, as stated, but somewhat less than half that amount, viz, $3,485,328.74.

This total does not include the particular claim of Warner, Barnes & Co. before the court, amounting to $81,126.65, nor the Lincoln claim amounting to $713.42; and it is proper to add that the number and amount of claims, like the Lincoln claim, pending in other Federal courts than the Court of Claims, is at present unknown.

It is unnecessary to say that we had no intention or desire to exaggerate the consequences of the decision, and it is manifest that, allowing for the error made, the sum of money at stake is large enough to justify fully our previous references to the money importance of the issue.

WILLIAM H. MOODY,
Attorney-General.
HENRY M. HOYT,
Solicitor-General.

CLAIMS FILED UP TO JULY 1, 1902.

22761.	Jan. 25, 1902.	Smith, Bell & Co	$2,000.00
22808.	Feb. 27, 1902.	Guiterrez Hermanos	69,469.98
22809.	Feb. 27, 1902.	Juan B. Gomez	9,876.88
22810.	Feb. 27, 1902.	Juan B. Gomez	1,563.55
22812.	Mar. 3, 1902.	Warner, Barnes & Co	700.00
22816.	Mar. 5, 1902.	Perez & Co	700.00
22817.	Mar. 5, 1902.	Perez & Co	8,000.00
22823.	Mar. 13, 1902.	Ker & Co	90,000.00
22825.	Mar. 13, 1902.	Ker & Co	2,150.00
22879.	May 19, 1902.	Jacob H. Ankrom	72,568.43
22904.	June 21, 1902.	Pacific Oriental Trading Co	104,374.53
22905.	June 21, 1902.	Pacific Oriental Trading Co	33,148.86
22907.	June 25, 1902.	Robinson & Co	60,000.00
	Total		$454,552.23

CLAIMS FILED ON AND SINCE JULY 1, 1902.

22914.	July 1, 1902.	C. Heinszen & Co	$125,000.00
23117.	Nov. 28, 1902.	Pacific Oriental Trading Co	125,761.18
24313.	Oct. 30, 1903.	The American Commercial Co	3,011.37
24314.	Oct. 30, 1903.	The American Commercial Co	267,556.21
24315.	Oct. 30, 1903.	The American Commercial Co	3,591.52
24316.	Oct. 30, 1902.	The American Commercial Co	550,875.34
27736.	Apr. 11, 1905.	Stahl & Rumcker	6,500.00
27737.	Apr. 11, 1905.	Lenora T. Aylade Zobel	5,500.00
27738.	Apr. 11, 1905.	Fabricade Tabacos La Insular	400.00
27739.	Apr. 11, 1905.	Alfredo Chicote Beltran or Alfredo Chicote	5,500.00
27757.	Apr. 12, 1905.	The Standard Oil Co., of New York	173,221.44
27772.	Apr. 17, 1905.	John M. Switzer	20,000.00
27773.	Apr. 17, 1905.	Calder & Co	4,000.00
27774.	Apr. 17, 1905.	Lambert & Presty	2,600.00
27775.	Apr. 17, 1905.	Manila Navigation Co	3,160.00
27776.	Apr. 17, 1905.	Philippine Lumber and Development Co	1,400.00
27777.	Apr. 17, 1905.	John Parsons	3,000.00
27778.	Apr. 17, 1905.	Teodoro de los Reyes	1,900.00
27779.	Apr. 17, 1905.	Successors of R. Bren	375.00
26013.	Aug. 18, 1904.	Kuenzle & Strieff	140,000.00
26014.	Aug. 18, 1904.	Kuenzle & Strieff	175,000.00
26015.	Aug. 18, 1904.	Holliday, Wise & Co	117,000.00
27176.	Dec. 22, 1904.	Edward A. Keller Sturche	79,790.89
27177.	Dec. 22, 1904.	Edward A. Keller Sturche	2,226.27
27591.	Apr. 1, 1905.	Compania General de Tabacos de Filipinas	25,936.55
27592.	Apr. 1, 1905.	E. C. McCullough & Co	72,050.00
27593.	Apr. 1, 1905.	Ynchausti Companie	9,740.00
			$1,925,035.77

			Forward	$1,925,035.
27594.	Apr.	1, 1905.	American Hardware & Plumbing Co	14,610.
27595.	Apr.	1, 1905.	Newhall & Fenner	5,357.
27596.	Apr.	1, 1905.	Findlay & Co	19,967.
27597.	Apr.	1, 1905.	Macondray & Co	40,395.
27598.	Apr.	1, 1905.	Sackerman & Co	36,525.
27599.	Apr.	1, 1905.	Lutz, Moll & Co	50,000.
27600.	Apr.	1, 1905.	Behm, Myer & Co	100,000.
27608.	Apr.	1, 1905.	Sprungli & Co	3,477.
27712.	Apr.	10, 1905.	Manuel T. Figueras	20,500.
27713.	Apr.	10, 1905.	Compania Maritima	5,750.
27727.	Apr.	10, 1905.	Conrad Struckmann et al	92,361.
27728.	Apr.	11, 1905.	Hoskyn & Co	4,700.
27729.	Apr.	11, 1905.	Union Farmacentica Filipinas	2,100.
27730.	Apr.	11, 1905.	Cesar Garcia, administrator of one Gomez	150,000.
27731.	Apr.	11, 1905.	Manuel Earnshaw & Co	3,900.
27732.	Apr.	11, 1905.	Juan Tuason, liquidator of G. Hollman & Co	40,000.
27733.	Apr.	11, 1905.	Meerkamp & Co	900.
27734.	Apr.	11, 1905.	Reyes & Smith	25,000.
27735.	Apr.	11, 1905.	Kuenzle & Strieff	3,400.
27780.	Apr.	17, 1905.	Forbes, Munn & Co	50,000.
27781.	Apr.	17, 1905.	Felix Ullmann	5,000.
27782.	Apr.	17, 1905.	E. J. Smith	25,000.
27783.	Apr.	17, 1905.	D. H. Gulick	2,500.
27650.	Apr.	10, 1905.	Levy Brothers	5,000.
27651.	Apr.	10, 1905.	Henry D. Wolf	5,500.
27652.	Apr.	10, 1905.	Erlanger & Galinger	20,000.
27653.	Apr.	10, 1905.	Heacock & Freer	5,000.
27654.	Apr.	10, 1905.	Carlos Gsell	4,600.
27655.	Apr.	10, 1905.	L. J. Lambert	3,000.
27656.	Apr.	10, 1905.	Daniel Denniston	2,000.
27657.	Apr.	10, 1905.	The B. W. Cadwalader Co	7,000.
27658.	Apr.	10, 1905.	John Gibson	3,500.
27659.	Apr.	10, 1905.	El Verdadero de Manila	10,000.
27660.	Apr.	10, 1905.	The Singer Manufacturing Co	8,500.
27661.	Apr.	10, 1905.	Mariano y Chaco	5,000.
27662.	Apr.	10, 1905.	M. A. Clarke	15,000.
27663.	Apr.	10, 1905.	Greilsammer Bros	1,200.
27664.	Apr.	10, 1905.	Camille Alkam	7,500.
27665.	Apr.	10, 1905.	Francisco Reyes	7,000.
27666.	Apr.	10, 1905.	Froloch & Kuttner	12,000.
27667.	Apr.	10, 1905.	J. F. Ramirez	4,100.
27668.	Apr.	10, 1905.	Rafael Reyes	15,000.
27669.	Apr.	10, 1905.	San Miguel Brewery	4,600.
				$2,771,979.51

		Forward	$2,771,979.51
27670.	Apr. 10, 1905.	J. M. Tuason & Co	8,000.00
27671.	Apr. 10, 1905.	Alfredo Roensch	8,000.00
27672.	Apr. 10, 1905.	N. T. Hashim & Co	30,000.00
27673.	Apr. 10, 1905.	Pons & Co	100.00
27674.	Apr. 10, 1905.	Santos & Jaehrling	2,200.00
27675.	Apr. 10, 1905.	Blanc & Brunschwig	1,400.00
27676.	Apr. 10, 1905.	Paul Hube	2,400.00
27677.	Apr. 10, 1905.	Serre & Co	600.00
27678.	Apr. 10, 1905.	Viuda de M. Soler	1,900.00
27679.	Apr. 10, 1905.	A. G. Librant, Siegert	1,400.00
27680.	Apr. 10, 1905.	Ramon Montes	2,100.00
27681.	Apr. 10, 1905.	Lutz & Co	1,600.00
27682.	Apr. 10, 1905.	Rita Donaldson Sim Valdez	10,000.00
27683.	Apr. 10, 1905.	La Compañía Electricista	8,200.00
27820.	Apr. 24, 1905.	Angel Ortigm	30,480.00
27830.	Apr. 26, 1905.	Rueda Hermanos	1,417.00
27831.	Apr. 26, 1905.	Hubert y Guamis	1,800.00
27832.	Apr. 26, 1905.	Vinda de E. Bota	600.00
27833.	Apr. 26, 1905.	Cortijo & Co	650.00
27834.	Apr. 26, 1905.	Perez Hermanos	350.00
27835,	Apr. 26, 1905.	Luciano Cordoba	1,660.00
			$2,886,776.51

In the following cases preliminary petitions have been filed, alleging indebtedness generally:

27848.	May 3, 1905.	David Sampson	$100,000.00
27849.	May 3, 1905.	Zeetvion	15,000.00
27850.	May 3, 1905.	H. Price	8,000.00
27851.	May 3, 1905.	James Norton	5,000.00
27852.	May 3, 1905.	Mariano Velasco	4,000.00
27853.	May 3, 1905.	Weingarten Bros	3,000.00
27854.	May 3, 1905.	Tanjoco Co	3,000.00
27855.	May 3, 1905.	Woodward Co	3,000.00
27856.	May 3, 1905.	Luttrell Darley	2,000.00
27857.	May 3, 1905.	Phil Seldner	1,000.00
			$144,000.00

RECAPITULATION.

Total claims filed up to July 1, 1902	$454,552.23
Total claims filed on and since July 1, 1902	2,886,776.51
Petitions alleging indebtedness generally	144,000.00
Grand total	$3,485,328.74

O

57TH CONGRESS, 1st Session. SENATE. DOCUMENT No. 171.

FILE COPY.

CORRESPONDENCE RELATING TO PHILIPPINE CUSTOMS TARIFF.

LETTER

FROM

THE SECRETARY OF WAR,

IN RESPONSE TO

SENATE RESOLUTION OF JANUARY 22, 1902, TRANSMITTING COPIES OF ALL CORRESPONDENCE BETWEEN THE WAR DEPARTMENT, OR ANY OFFICIAL THEREOF, AND ANY PERSON OR CORPORATION, RELATING TO THE CUSTOMS TARIFF AFFECTING THE PHILIPPINE ISLANDS ADOPTED BY THE PHILIPPINE COMMISSION.

FEBRUARY 6, 1902.—Referred to the Committee on the Philippines and ordered to be printed.

WAR DEPARTMENT,
Washington, February 4, 1902.

SIR: I have the honor to comply with the following Senate resolution, dated January 22, 1902:

Resolved, That the Secretary of War be, and he is hereby, directed to transmit to the Senate copies of all suggestions, statements, criticisms, and correspondence between the War Department, or any official thereof, and any person or corporation, relating to the customs tariff affecting the Philippine Islands which culminated in the tariff adopted by the Philippine Commission September seventeenth, nineteen hundred and one.

Very respectfully,

ELIHU ROOT,
Secretary of War.

HON. WM. P. FRYE,
President pro tempore United States Senate.

Memorandum in re tariff correspondence.

The order followed in arranging this correspondence is as follows:

There is, first, the skeleton history of the steps leading up to the transmission of the tariff to the Department, as told by cablegrams.

Second. The early correspondence showing the necessity for a revision of the tariff, which was forwarded to Manila for the information of the officers and the Commission charged with the drafting of said tariff.

Third. The correspondence received by the Department in response to its invitation for criticisms and suggestions. This latter correspondence is arranged by subjects, rather than in strict chronological order; however, each subject is followed chronologically from the first to the last letter on the subject, hence all correspondence relative to cottons are grouped together, and the same may be said of watches, precious stones, liquor, and the other subjects which gave rise to correspondence.

WAR DEPARTMENT, *May 22, 1900.*

MACARTHUR, *Manila:*

Present conditions render revision tariff vital importance. Have you officers qualified to constitute a board of officers to make revision? All data now here can be forwarded. Secretary of War desires your recommendation.

MEIKLEJOHN.

MANILA, *May 24, 1900.*

ASSISTANT SECRETARY OF WAR,
Washington:

If tariff is revised work should be done here; have available officers qualified for work.

MACARTHUR.

ADJUTANT-GENERAL'S OFFICE,
Washington, May 24, 1900.

MACARTHUR, *Manila:*

Name officers you would recommend revise tariff.

CORBIN.

[Translation.]

MANILA, *May 26, 1900.*

ASSISTANT SECRETARY OF WAR,
Washington:

Recommend board of officers tariff revision, William F. Spurgin, Sixteenth U. S. Infantry; William Wotherspoon, Twelfth U. S. Infantry; Marple [Capt. Charles H.], Fortieth U. S. Infantry. If larger board of officers desired recommend Edward A. Millar, Sixth U. S. Artillery; Hunt [Maj. Clyde D. V.], Twenty-seventh U. S. Vol. Infantry.

MACARTHUR.

[Translation.]

ADJUTANT-GENERAL'S OFFICE,
Washington, June 7, 1900.

MACARTHUR, *Manila.*

With reference to your telegram of 26th ultimo, tariff. Appoint first three officers named reporting recommendation to Philippine Commission. Communications criticising and asking changes present tariff on file here will be mailed to you with fuller instructions.

CORBIN.

[Cablegram—translation.]

SEPTEMBER 8, 1900.

MACARTHUR, *Manila.*

Secretary of War desires to know when revision of tariff will be completed.

EDWARDS.

MANILA, *September 9, 1900.*

ADJUTANT-GENERAL, *Washington.*

Board of officers on tariff revision reported August 25. Report passed to Commission August 29.

MACARTHUR.

[Cablegram.]

OCTOBER 13, 1900.

TAFT, *Manila.*

Former experience in Cuban tariff indicates importance to give American exporters opportunity for hearings on provisions affecting their interest, especially as compared with other countries, before final action. It will not be practicable for concerns here to be fully represented before you in Manila. When you have completed the tariff bill I think it best that you should send it here, and we will give it to the newspapers and trade journals as a proposed measure, and get the benefit of any objections which will be made. This particular law should have my approval before you promulgate it, in order that business interests may treat it as a finality and promptly accommodate themselves to it, and in order that it may appear upon its face to be a military act. There are some diplomatic questions which make this expedient.

ROOT, *Secretary of War.*

MANILA, *December 7, 1900—2.10 a. m.*

SECRETARY OF WAR, *Washington.*

Tariff revision will be mailed on or before January 1.

TAFT.

NOTE.—The foregoing cablegrams show the official steps taken looking to a revision of the Philippine tariff.

The correspondence which follows includes the requests which reached the War Department urging a revision of the tariff, and which were referred to Manila for the information of the board of officers charged with drafting a revision of the tariff.

PITTSBURG, PA., *October 2, 1899.*

Hon. ELIHU ROOT, *Secretary of War.*

DEAR SIR: We beg to own receipt of and to thank you for copy of Customs Tariff and Regulations for the Philippine Islands, which evidently has been sent us in response to our request, 26th ultimo, asking to be informed as to rate of duty collected on distilled spirits entering Manila from this country.

The pamphlet does not disclose the rate of duty, it only gives the rate of excise (internal revenue) tax, page 21, articles 308 and 309.

May we trouble you to name us the rate of duty?

With kind word and wish, yours, very respectfully,

A. GUCKENHEIMER & BROS.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 16, 1898.

The SECRETARY OF WAR.

SIR: I have the honor to return herewith a letter dated Pittsburg, Pa., the 2d instant, from Messrs. A. Guckenheimer & Bros., referred by you on the 9th idem, and to suggest that the same be referred to the collector of customs for the Philippine Islands for report as to his classification of whisky and other liquors not specially mentioned in the beverage sched le of the tariff for that island.

Respectfully,

O. L. SPAULDING,
Acting Secretary.

[First indorsement.]

WAR DEPARTMENT,
Washington, October 24, 1899.

Respectfully referred to the collector of customs for the Philippine Islands with request for an expression of his views as to the classification of whisky and other liquors not specially mentioned in the beverage schedule of the tariff. The return of these papers is desired.

ELIHU ROOT, *Secretary of War.*

[Second indorsement.]

UNITED STATES CUSTOM-HOUSE,
Manila, December 16, 1899.

Respectfully returned to the Secretary of War, Washington, D. C. (Through office United States military governor in the Philippines.)

Pure vinic alcohol pays duty as provided in paragraph 252 of group 5, U. S. P. C. T. and regulations in the Philippine Islands.

Brandies, liquors, and liqueurs the body of which is vinic alcohol pay duty under paragraph 253-A, same regulations.

Common or composed brandies and liquors or liqueurs the body of which is not vinic alcohol and all liquors and brandies known as "industrial" pay duties under paragraph 253-B.

The duties under those paragraphs are as follows:

PAR. 253-A. Duty per liter when contained in receptacles other than wood or demijohns: Import duty, $0.20; consumption tax, $0.30; 10 per cent of import duty, $0.02; 8 per cent ad valorem, value $1, $0.08; total, $0.60 per liter. When contained in wood or demijohns, the same duties apply with the exception of consumption tax, which is $0.20 instead of $0.30, making a total of $0.50 per liter.

Par. 253b. Duty per liter when contained in receptacles other than wood or demijohns: Import duty, $0.36; consumption tax, $0.30; 10 per cent of import duty, $0.036; 8 per cent ad valorem, value $1, $0.08; total, $0.776 per liter; when contained in wood or demijohns the same duties apply with the exception of consumption tax, which is $0.20 instead of $0.30, making a total of $0.676 per liter.

In addition to the duties above enumerated the receptacles pay as follows: Glass, import duty; $1.60 per 100 kilograms, 10 per cent of import duty and 8 per cent ad valorem on valuation of $6, pesos, per 100 kilograms, making a total per 100 kilograms of $2.24; wood, import duty, $2 plus 20 per cent surtax per 100 kilograms, 10 per cent of import duty and 8 per cent ad valorem on valuation of $8, pesos, per 100 kilograms, making total per 100 kilograms of $3.28.

Par. 252. Duty per liter when contained in receptacles other than wood or demijohns: Import duty, $0.09; consumption tax, $0.30; 10 per cent of import duty, $0.01; 8 per cent ad valorem, value $0.08, $0.01; total, $0.4054 per liter. When contained in wood or demijohns the same duties apply with the exception of consumption tax, which is $0.20 per liter instead of $0.30, making a total of $0.3054 per liter.

All of the above values and duties represent "the silver peso of the mint." (See par. 369, U. S. P. C. T. and regulations, copy of which and translation of values is inclosed herewith.)

It will be noted that the paragraph numbers of the translation of values are the same and refer to the same articles in the tariff as the paragraph numbers in the regulations. "The silver peso of the mint" is current here at the same value as silver Mexican dollars, and all local currency is referred to as "Mex." In referring to the local currency as "Mex." it usually means two Mexican or local dollars for one American dollar, although the quartermaster's rate of exchange is 2.11.

The idea of the Spanish was to keep out cheap liquors, and hence the favor shown liquors the body of which was vinic alcohol, Spain being a large producer of such liquors.

This classification undoubtedly discriminates against American whiskies, in the manufacture of which vinic alcohol does not enter.

I do not believe that the classification is prejudicial to the customs revenue here, for the reason that the rates of duty charged do not seem to check the importation of American whiskies.

W. F. SPURGIN,
Lieutenant-Colonel, Sixteenth U. S. Infantry,
Collector of Customs.

[Third indorsement.]

OFFICE U. S. MILITARY GOVERNOR IN THE PHILIPPINES,
Manila, P. I., December 27, 1899.

Respectfully returned to the office of the Secretary of War, Washington, D. C. Attention invited to second indorsement hereon.

E. S. OTIS,
Major-General, U. S. Vols.,
Military Governor of the Philippine Islands.

MANILA, P. I., *April 20, 1899.*

The PRESIDENT CHAMBER OF COMMERCE,
San Francisco, Cal.

SIR: The undersigned Americans, endeavoring to develop trade between the United States and the Philippine Islands, respectfully beg the Chamber of Commerce of San Francisco to use its best efforts in order to obtain a reduction of the customs duties now levied in these islands.

The high rates of duties now levied are those that prevailed under the Spanish régime. A year has elapsed since the United States took possession of these islands, and the excessive duties are continued on the plea that any diminution would militate against the interests of importers and dealers who had stocks of goods on hand or had ordered same.

This plea no longer exists, and Americans and American goods labor to obtain a foothold.

The Spanish tariff was framed with a view of shutting out all products other than those of Spanish origin. Subterfuge was resorted to in order to obtain this advantage.

English, German, and other goods were imported into Spain and exported to the Philippine Islands as Spanish products, thus paying the lower tariff rate.

As an example of how onerous the present tariff bears upon American products, the following instance is cited:

A piece (40 yards) of American drillings costing, laid down in Manila, with all charges, $3.18¼ Mexican, has levied upon it the following duties:

Weight of piece, 6 kilos 8 grams.

1. Duty at 25 cents a kilo	$1.52
2. 10 per cent additional on $1.52	.152
	1.672
3. 8 per cent ad valorem on the Spanish valuation of $1.35 per kilo	.656
	2.328

The duty and exactions levied upon a can of California fruit amount to 32 cents Mexican, or nearly 16 cents United States gold—the cost of the can delivered here.

Instances where duties levied equal cost and all landing charges of articles can be cited.

If the authorities at Washington can be moved to reduce these rates of duty a vast increase of trade will result.

Given a reduction of at least one-half of the present rates upon articles of consumption and a higher rate upon articles of luxury, with a low tariff upon productions special to the United States, and the customs revenues, now diminishing, would increase by a large percentage.

Stocks in the hands of Spanish, English, and German houses are diminishing rapidly, and there is no reason why these obnoxious and countervailing customs duties should continue.

It is submitted that the United States should derive some benefit accruing from the victories gained by her soldiers and sailors, many of whom desire to settle in these islands, and with a reduction in the customs tariffs a new field will be opened for our fictile and textile manufactures and the boundless productions of our agriculturists.

Should it be decided by the Executive to grant a reciprocal tariff for all nations there will be no objection, for, with a reduction in the tariff rates so arranged as to enable the people of these islands to purchase at as low a price as possible, American goods can and will compete with productions from any country in the world.

Very respectfully,

HENRY D. WOOLFE.
WILLIAM C. KALLIN & CO.
PABST BREWING CO.,
Per J. L. MAYERS.
THE H. A. WILLIAMS CO.,
Per H. A. WILLIAMS.
MACONDRAY CO.
AMERICAN COMMERCIAL COMPANY,
Per P. BLUM.
PACIFIC ORIENTAL TRADING CO.,
Per H. HILBERT.
ENGENSKJON & WOOLFE.
NORTH AMERICAN TRADING CO.
AMERICAN PHILIPPINE CO.

The PRESIDENT, *Washington, D. C.* JULY 18, 1899.

SIR: I have the honor to hand you herewith a copy of a petition from American merchants in Manila, to the Chamber of Commerce of San Francisco, relative to the customs regulations in the Philippine Islands, together with an attested copy of a resolution, adopted by our board of trustees July 17, 1899, in compliance with the said petition.

Commending this subject to your courteous and careful consideration, and with assurances of our highest esteem, I have the pleasure to subscribe myself, sir,

Your obedient servant,

GEO. A. NEWHALL,
President The Chamber of Commerce of San Francisco.

[First indorsement.]

WAR DEPARTMENT,
Washington, July 25, 1899.

Respectfully referred to Maj. Gen. E. S. Otis, governor-general of the Philippines, Manila, P. I., for his consideration. The return of these papers is requested.

G. D. MEIKLEJOHN,
Assistant Secretary of War.

[Second indorsement.]

MANILA, *September 4, 1899.*

Respectfully referred to the collector of customs for remark.

By command of Major-General Otis:

C. H. MURRAY,
Major and Inspector-General, U. S. Vols., Secretary.

[Third indorsement.]

UNITED STATES CUSTOM-HOUSE,
Manila, September 28, 1899.

The gist of the inclosed preamble and resolution, adopted at the regular monthly meeting of board of commerce of San Francisco and based upon the petition of the merchants of Manila, is that the customs regulations in the Philippine Islands subjects merchandise coming from and manufactured in the United States to a higher duty than that imposed upon the same articles imported from Spain.

I have made the strictest investigation into this matter and am unable to discover a single instance where merchandise coming from and manufactured in the United States is subject to a higher duty than Spain pays on the same merchandise.

I do find that the classification of the present tariff is in some cases prejudicial to the profitable importation of some articles which are largely produced in the United States. These prejudicial classifica-

tions are being remedied in so far as the collector of the customs ha the power to act.

WM. F. SPURGIN,
Lieutenant-Colonel Sixteenth Infantry,
Collector of Customs.

[Fourth indorsement.]

OFFICE MILITARY GOVERNOR IN THE PHILIPPINES,
Manila, P. I., October 7, 1899.

Respectfully returned to the Adjutant-General of the Army, Washington, D. C.

The same customs duties are exacted on all goods and merchandise introduced from the United States as from Spain or any other foreign country. For a short time after the capitulation of Manila, goods purchased in Spain before the war were admitted under the old Spanish preferential rates, but that has not been done for nearly a year past.

E. S. OTIS,
Major-General, U. S. Vols., Governor-General.

NEW YORK, *June 29, 1899.*

Hon. RUSSELL A. ALGER,
Secretary of War, Washington, D. C.

DEAR SIR: Under the existing Philippine tariff the duties on perfumery (No. 120) and proprietary articles (Nos. 112–113) are so exorbitant that this important American industry is seriously affected.

The tariff was framed originally to protect Spanish products which were subject to only a duty of 10 per cent. Then we were compelled to manufacture and send our goods from Spain, which was not a very pleasant alternative, but at least gave us a chance to be in the field, while now all doors are closed. In the tariff our Government removed the Spanish differential, and left only the prohibitive duties, overlooking, perhaps, the fact that Spain had created the tariff with the purpose of shutting out foreign products. We should, therefore, suggest that the tariff be amended so that the products referred to may enter on at least as favorable conditions as those of Spain formerly did.

We should be exceedingly obliged by your consideration of this request, and are, dear sir,

Yours, very truly,

LANMAN & KEMP.

[First indorsement.]

WAR DEPARTMENT, *Washington, July 1, 1899.*

Respectfully referred to Lieut. Col. Tasker H. Bliss, collector of customs for the island of Cuba, Habana, Cuba, with a request for an expression of his views hereon; the return of this paper is requested.

By order of the Secretary of War.

JOHN J. PERSHING,
Assistant Adjutant-General Volunteers,
Chief Customs Division.

HEADQUARTERS DIVISION OF CUBA,
OFFICE OF COLLECTOR OF CUSTOMS FOR CUBA,
Habana, July 14, 1899.

Respectfully returned to the Secretary of War.

I am not quite certain whether this paper was referred to me by mistake, or whether it was intended to obtain the independent views of the collector of customs for Cuba. Assuming the latter to be the case, I have to make the following statement.

I have not with me a copy of the tariff for the Philippines, and do not know how it compares with that for Cuba, but I feel sure that it can not be higher. Under the present tariff for Cuba the former differentials in favor of Spain having been abolished, the duty on pills, capsules, and other similar medicinal preparations has been reduced 66.6 per cent on previous rates (compare paragraph 101 of Spanish tariff with paragraph 103 of present Cuban tariff); the duty on proprietary articles has been reduced 71.4 per cent on previous rates (compare paragraph 102 of Spanish tariff with paragraph 104 of present Cuban tariff); the duty on toilet soaps and perfumery has been reduced 62.3 per cent on previous rates (compare paragraph 108, Spanish tariff, with paragraph 110, present Cuban tariff; see also Mr. Porter's report on the commercial and industrial condition of the island of Cuba.) In general it may be stated that the average of the present specific duties on proprietary articles correspond to an ad valorem duty of a little over 13 per cent, and the average of the present specific duties on toilet soaps and perfumeries corresponds to an average ad valorem duty of about 25 per cent. I find that in the United States tariff the minimum duty upon proprietary preparations containing alcohol is 25 per cent, and upon those not containing alcohol the fixed rate is 25 per cent. That in the same tariff the duty upon perfumed soaps is 15 per cent per pound, and that the duties upon perfumeries varies from 50 per cent straight to 60 cents per pound plus 45 per cent. It will thus appear that the duty on these articles, prescribed in the present Cuban tariff, is not excessive in itself, and is very much lower than that prescribed in the United States.

TASKER H. BLISS,
Major, Collector of Customs for Cuba.

NEW YORK, *June 29, 1899.*

Hon. RUSSELL A. ALGER,
Secretary of War, Washington, D. C.

DEAR SIR: Under the existing Philippine tariff, the duties on perfumery (No. 120) and proprietary articles (Nos. 112, 113) are so exorbitant that this important American industry is seriously affected.

The tariff was framed originally to protect Spanish products, which were subject to only a duty of 10 per cent.

Then we were compelled to manufacture and send our goods from Spain, which was not a very pleasant alternative, but at least gave us a chance to be in the field, while now all doors are closed. In the tariff our Government removed the Spanish differential and left only the prohibitive duties, overlooking, perhaps, the fact that Spain had created the tariff with the purpose of shutting out foreign products. We should, therefore, suggest that the tariff be amended so that the products referred to may enter on at least as favorable conditions as those of Spain formerly did.

We should be exceedingly obliged by your consideration of this request, and are, dear sir,

Yours, very truly,

LANMAN & KEMP.

[First indorsement.]

WAR DEPARTMENT,
Washington, July 21, 1899.

Respectfully referred to Lieut. Col. John D. Miley, collector of customs for the Philippine Islands, Manila, P. I., with request for an expression of his views hereon.

The return of this paper is desired.

By order of the Secretary of War:

JOHN J. PERSHING,
Assistant Adjutant-General.

[Second indorsement.]

UNITED STATES CUSTOM-HOUSE,
Manila, P. I., August 31, 1899.

Respectfully returned through the office of the United States military governor in the Philippines to the assistant adjutant-general in charge of division of customs and insular affairs.

Under the existing tariff in these islands the duty on perfumery and essences (No. 120) is 46 cents, Mexican, per kilo. The duty on pharmaceutical products (112) is 96 cents, Mexican, per kilo. The duty on chemical products (No. 113) is 24 cents, Mexican, per kilo.

Under the Spanish tariff the specific portion of the duty was not imposed upon products of Spanish origin, and therefore the duties under these three numbers were then, respectively, 16 cents per kilo, 16 cents per kilo, and 4 cents per kilo. All countries and all importers in them are now on the same basis with respect to importations into these islands, and the only persons who are seriously affected by high tariff are the consumers in these islands of articles on which the tariff happens to be excessive.

Messrs. Lanman & Kemp, as will be noted from the letter within, had, in order to bring their products into the Philippine Islands pre-

vious to American occupation, manufactured their goods in Spain. With the push and energy of an American manufacturer, I have no doubt but what they were greatly at an advantage compared with the Spanish manufacturers. Therefore, now, instead of having practically a monopoly as formerly, they are brought into direct competition with all manufacturers of drugs in the United States. There is no doubt but what the tariff at present imposed in these islands is excessive in many instances, and perhaps in this, but I do not believe it should be changed to suit individual cases.

Every time that one importer will be pleased two or more will have their business calculations disturbed. The time is coming (and it ought to come soon) when there should be a complete revision of the tariff prescribed for these islands, but I am decidedly opposed to making changes from time to time to meet the wishes of individual importers. For the information of the proper authorities, I may state that I am making a record of all information that may be useful when a revision is made.

J. D. MILEY,
Lieutenant-Colonel, U. S. Vols., Collector of Customs.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 28, 1899.

The SECRETARY OF WAR.

SIR: I have the honor to return herewith a letter dated New York, June 29 last, from Messrs Lanman & Kemp, referred by you on the 23d instant, and to concur in the opinion of the collector of customs for the Philippine Islands, thereon indorsed, that a reduction of duty on perfumery and proprietary articles imported into said islands, as requested by the applicants, is expedient.

Respectfully,

O. L. SPAULDING,
Acting Secretary.

PORTLAND CHAMBER OF COMMERCE,
August 22, 1899.

The SECRETARY OF THE TREASURY,
Washington, D. C.

DEAR SIR: For a number of months past Portland merchants have been endeavoring to secure a market in Manila and surroundings for Oregon products, having there a representative of quite a number of our leading firms. This gentleman has evidently come into touch with the people there, and is undoubtedly doing good work, as far as he can, with all the difficulties that he has to encounter.

The principal difficulty we find is the matter of the tariff and duties. It would seem from his statements that there is a specific duty of 20 cents per kilo almost invariably, then a surtax of 10 per cent of this amount, besides 8 per cent ad valorem. While this does not apply in all cases, this seems to be about the average general duty charged on goods coming into that port, and he further states that in fixing the ad valorem duty generally about double the actual value is figured on.

Regarding these tariff regulations we understand that same were in force during Spanish rule, the provision being that all countries excepting themselves would pay such duties, Spain herself importing goods into the Philippines and paying only a straight 10 per cent ad valorem on all goods.

The Chamber of Commerce of Portland has no doubt that all these matters are perfectly familiar to you and your Department, and takes this opportunity, after a meeting in which the matter was thoroughly considered, of protesting to you against such outrageous charges. We have figured it out, among other cases, that 100 pounds of prunes, $5 American money, cost, landed in Manila, including freight charges, etc., $23.25 in Spanish coin, whereas if the charge was only 10 per cent ad valorem, the entire cost, laid down in Manila, would be $13.50 per hundred. This, you will see, would place goods within the reach of many more people, and imports from the United States, in this respect alone, would be very much more extensive.

We beg leave, therefore, to seriously urge upon you a revision of the customs duties as far as concerns American goods imported into Manila and the Philippine Islands. It may be that some measures are now in progress looking to a modification of rates, and if so, we would thank you for any information as thereto, and we are,

Yours, very truly,

D. D. OLIPHANT.

WAR DEPARTMENT,
Washington, September 2, 1899.

SIR: I am directed by the Acting Secretary of War to acknowledge the receipt of your letter of the 22d ultimo, requesting a revision of the customs tariff of the Philippine Islands, and to advise you that the same will receive careful consideration.

Very respectfully,

A. N. THOMPSON,
Acting Chief Clerk.

Mr. D. F. OLIPHANT,
Secretary of the Chamber of Commerce, Portland, Oreg.

WAR DEPARTMENT,
Washington, November 22, 1899.

SIR: I have the honor to request an expression of your views as to the desirability of making a reduction of 50 per cent in the present

duties on flour, alimentary preserves, pork, butcher's products, sauces, garden produce, fruits, pork lard, bacon, newspaper, wrapping paper, butter, cheese, soaps, and pickles imported into the Philippine Islands as to ad valorem duties being based upon certified invoices at the point of shipment, and as to the reduction of the duty on flour, if the record show that it is imported from other countries.

It is represented to the Department by interested parties that such changes in the tariff are extremely desirable in order to encourage the importation into those islands of American products, and any information in your possession bearing upon the subject should be included in your report, so that the Department may have the fullest obtainable data before taking action in the matter.

Very respectfully,

G. D. MEIKLEJOHN,
Acting Secretary of War.

COLLECTOR OF CUSTOMS FOR THE PHILIPPINE ISLANDS,
Manila, P. I.

UNITED STATES CUSTOM-HOUSE,
Manila, P. I., March 6, 1900.

Hon. GEORGE D. MEIKLEJOHN,
Acting Secretary of War, Washington, D. C.
(Through the office of the governor-general.)

SIR: I have the honor to acknowledge receipt of your letter of November 22, 1899, and in reply to report:

(1) Flour:

Duty per 100 kilos, Mexican pesos	3.26
per 100 pounds, gold	$0.69
per barrel (196 pounds), gold	$1.35

The flour imported into the Philippine Islands comes chiefly from the United States, though Australia and Japan furnish a considerable quantity. During 1899 there were received from the United States direct 10,200 barrels; from the United States via Hongkong, 55,322 barrels—total, 65,522 barrels, valued at $376,871, according to the records of this office; from Australia, 607 barrels, valued at $2,915, and from Japan, 304 barrels, valued at $1,624. This embraces all of the flour imported into the Philippines Islands through commercial channels during the year 1899. All of the flour referred to in monthly reports as coming from Hongkong, as a matter of fact comes from the United States, but is invoiced from Hongkong, as it is sold by jobbers there to Philippine dealers.

During the month of January, 1900, there were received from the United States direct 450 barrels, and from the United States via Hongkong, 13,120 barrels, valued at $62,780. During the same month the importations from Australia amounted to 898 barrels,

valued at $3,638; from Switzerland, 2 barrels, valued at $15. This embraces all of the flour imported into the Philippine Islands through commercial channels during the month of January, 1900.

I am of the opinion that a change in the duties on flour at this time would neither increase the revenue nor the importation of flour from the United States.

(2) Alimentary preserves:

Duty per 100 kilos, Mexican psfs	30.00
per 100 pounds, gold	$6.31

Large quantities of canned fruits, vegetables, etc., which are classified as alimentary preserves, come to the islands from the United States on the Government transports for the use of United States troops and for sale by the United States Commissary Department to the employees. Aside from this, practically no canned fruits or vegetables are imported into the Philippine Islands from the United States, as the duty imposed under the present classification is practically prohibitive for any but the highest-price goods of this kind. Under the present ruling, all kinds of food stuffs, bottled, canned, or put up in kegs or barrels, pay duty as alimentary preserves, at 20 cents per kilo Mexican, and upon the valuation of psfs., 1 Mexican per kilo, under paragraph 259, U. S. P. C. T. and Regulations; that is to say, the finest grades of compound preserves, such as French and Italian patte du fois gras, Cross & Blackwell's goods, etc., pay no higher duty than the cheap pie fruits and vegetables put up in the United States, and especially along the Pacific coast. Fresh fruits and garden produce are admitted free of duty under General Orders, No. 5, office of the military governor, dated February 22, 1899. Prior to that time they paid duty under paragraphs 242 and 243, U. S. P. C. T. and Regulations, as follows:

Garden produce of 100 kilos, Mexican psfs	4.38
100 pounds, gold	$0.92
Fruits per 100 kilos, Mexican psfs	5.04
100 pounds, gold	$1.06

In my opinion paragraphs 242 and 243 should be amended to include vegetables and fruits preserved exclusively in their own juices, and put up in cans or other receptacles, and that such an amendment would largely increase the importation on that class of goods and the revenue derived therefrom. Such amendment would be favorably received by the people here, and would, I believe, do away with the probably just criticism which is now made upon the Philippine tariff by the fruit and vegetable producers and canners of the United States.

(3) High grade preserves, sauces, etc., now classified as alimentary preserves, duty as above stated, should, in my opinion, be assessed as now provided.

(4) Canned meats for the month of January, 1900, were received as

follows: From Hongkong, 49,320 pounds; from England, 31,668 pounds; from the United States, 30,000 pounds; from Spain, 5,160 pounds; from Germany, 4,270 pounds. From the best information at hand 30,000 pounds of canned meats came originally from the United States, placing the United States at the head of the list with 60,000 pounds.

The duty on salt pork is, per 100 kilos, Mexican psfs..... 18.26
per 100 pounds, gold $3.84

Pork lard and bacon the same.

I should think the revenue would not be decreased by the reduction of the duty on these articles to an equivalent of $2 gold per 100 pounds.

(5) News paper and wrapping paper: Duty on news paper, per 100 kilos, Mexican psfs., 8.68; per 100 pounds, gold, $1.83. On wrapping paper, per 100 kilos, Mexican psfs., 6.48; per 100 pounds, gold, $1.36.

Consumers universally agree that a reduction of the duty on printing and wrapping paper would be advisable, and that it would result in an increase in the consumption. This is particularly true of printing paper and that grade known as "news print," which is assessed under the first clause of paragraph 176, page 18, U. S. P. C. T. and Regulations. Printing paper, news print, and wrapping paper come principally from the United States, Germany, and Spain, in the order named. I am of the opinion that the duties assessed under the first and second clauses of paragraph 176 and the first and second clauses of paragraph 179 should be reduced 50 per cent.

(6) Butter: The duty per 100 kilos, Mexican psfs., 27.76; per 100 pounds, gold, $5.84. In my opinion a reduction of the duty on butter to an equivalent of $3, gold, per 100 pounds, would increase the importation and revenue derived therefrom.

(7) Cheese: The duty per 100 kilos, Mexican psfs., 19.70; per 100 pounds, gold, $4.15. I should think it proper to reduce the duty on cheese to an equivalent of $2 gold per 100 pounds.

(8) Soap: The duty on common soap per 100 kilos, Mexican psfs., 5.01; per 100 pounds, gold, $1.05. Soap, perfumed, per 100 kilos, Mexican psfs., 34.08; per 100 pounds, gold, $7.17. In my opinion the duty on common soap should be allowed to remain as it is for the present, and the duty on perfumed soap reduced to an equivalent of $3 gold per 100 pounds. Common soap is now imported principally from the United States and England; perfumed soap comes principally from France.

(9) The ad valorem duty imposed by the Philippine tariff is based upon the official figures set forth in the Official Gazette of Manila, No. 228, August 27, 1896, a translation of which is inclosed herewith. It

is thought that many of the values now in force should be changed, and that those values should be amended from time to time, as occasion demands, but I am of the opinion the present tariff will be much more easily applied by the use of fixed values (the present system) than if the ad valorem duties were based upon values taken from certified invoices at the port of shipment. The present tariff regulations, amended to September 1, 1899, are very incomplete and, as a matter of fact, are only an index, in the application of which it is often necessary to refer to the Spanish regulations for classification. The original Spanish tariff, from which the present regulations were taken, was based originally upon a 10 per cent ad valorem duty, but since that duty was established many changes—increases in and additions to the duties—have been made, so at the time of American occupation the following import duties, which were assessed upon all foreign goods except Spanish, were found in force, to wit:

(1) A specific duty levied upon the weight, by the piece, or by liquid measure.

(2) A 2 per cent ad valorem duty.

(3) A 6 per cent ad valorem duty. These based upon the official values referred to above.

(4) Ten per cent additional on the amount of the import duty, i. e., the specific duty, and the only consolidation of these charges that was made in preparing the tariff regulations now in force was the consolidation of the two ad valorem duties into one of 8 per cent. (See paragraph 19, U. S. P. C. T. and Regulations.) It will be seen from this that the present tariff is a complicated one, and much time is consumed in the proper assessment of duties. In my judgment, if the present tariff, or the Spanish tariff, is to be used as a basis for the assessment of duties in the islands for any considerable length of time, the duties should be computed and consolidated on all the articles described therein, and that such consolidation be presented, with recommendations for amendments, to the Department. Such a consolidation would render the tariff much more satisfactory to the general public, as the duties could then be ascertained immediately upon referring to the Regulations, and it would also be much more easily applied by the customs officials, and errors in the application would be less frequent.

The delay in replying to your letter was caused by the time consumed in getting reliable data as to the true origin of flour imported into the Philippine Islands via Hongkong.

I have the honor to remain, very respectfully, your obedient servant,

W. F. SPURGIN,
Lieutenant-Colonel Sixteenth U. S. Infantry,
Collector of Customs of the Island and of the Chief Port.

MANILA, *April 13, 1900—9.07 a. m.*

ASSISTANT SECRETARY OF WAR,

Washington.

Reply to letter sent Spurgin November 22 mailed March 10; article 4 of the Paris treaty makes general reduction of tariff duties at present time unwise; 50 per cent reduction on all canned or bottled fruits and vegetables or on all vegetables and fruits preserved exclusively in their own juices beneficial to Government and inhabitants; also, on canned meats, bacon, lard and butter, fresh meats, and vegetables now admitted free under order issued when Manila closed to coasting trade; reduction duties on flour not recommended.

OTIS.

OFFICE OF THE UNITED STATES
MILITARY GOVERNOR IN THE PHILIPPINE ISLANDS,
Manila, P. I., April 14, 1900.

The ASSISTANT SECRETARY OF WAR,

Washington, D. C.

SIR: I have the honor to acknowledge the receipt of a cable message informing me that a communication had been sent to the collector of customs on November 22 last, inquiring if a reduction of duties on food products was not practicable, and if it would not be for the public interest, to which I was informed no response had been received.

To this I cabled yesterday that reply to the communication had been mailed on March 10 last, and further that article 4 of the Paris treaty which admitted Spanish ships and merchandise to our ports on the same terms as ships and merchandise of the United States would make a general reduction of tariff rates unwise at this time, but that a reduction of 50 per cent on certain food products mentioned would be beneficial and that the payment of duties on fresh meats and vegetables had been temporarily suspended.

In explanation of this message I desire to say that a reduction in tariff rates on such products as are extensively imported from the United States would be beneficial to the business interests of the country and the Philippine people, but those products which Europe produces to a very large extent would reduce our revenue and give few compensating advantages.

Foreign merchants here would import in Spanish vessels by way of Barcelona and other ports of Spain, as they did formerly notwithstanding all the restraining influences which Spain could impose, hence Europe would reap the advantage of our trade.

By reference to the letter of the collector of customs forwarded on March 10 it will be seen that flour, of which a small quantity is consumed here (the inhabitants relying upon rice), is brought from foreign ports, but in the matter of canned fruits and vegetables the United

States must be relied upon. The heavy duties imposed upon those articles makes their sale here impracticable and a material reduction of duties would assist greatly the business of the United States and be of material advantage to the inhabitants of these Islands. The increase in importation which would follow a material reduction of duties on this class of goods would probably result in a greater revenue than is now received from that source. The same may be said with bacon, butter, lard, and other articles of a like character, which must be sought in United States markets.

The suspension of duties on fresh meats and vegetables was made necessary at the time Manila was cut off from other island ports. It was impossible to get meat or vegetables from the interior for the large Manila population and the high duties made it impracticable to obtain these from other Asiatic ports. By suspending duties we were enabled to get fresh beef and a large amount of vegetables from Chinese ports, and by this means the Manila population was carried through the months of the war. Vegetables were obtained at a comparatively moderate figure, but owing to the prevalence of cattle diseases in China it was hard to obtain meats and the price of fresh beef rose 200 per cent, making it almost impossible with the laboring classes to obtain a supply. By reason of the cattle diseases through the islands, and which has prevailed for the last two years, it is now well nigh impossible to secure sufficient good meat for the Manila market at a reasonable figure. We are now securing it from the smaller islands, and probably in the course of a few weeks it will be abundant.

With the large increase of wages which has followed United States occupation, a rise of more than 100 per cent, the price of all commodities has correspondingly advanced, and old prices will probably never again prevail.

As regards the tariff, it may be said to be a very complex one, made so by numerous amendments which Spain ingrafted upon the original scheme to meet temporary pecuniary difficulties. It is complex, cumbersome, and needs recasting.

Very respectfully,

E. S. OTIS,
Major-General, U. S. Vols.,
U. S. Military Governor of the Philippine Islands.

MANILA, *February 14, 1900.*

PRESIDENT,

Executive Mansion, Washington:

Respectfully urge immediate action substitution American laws for Spanish reduction where duties are excessive, adjustment of shipping regulations so American vessels may operate in coasting trade without requiring resident ownership.

AMERICAN CHAMBER OF COMMERCE.

[First indorsement.]

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
February 21, 1900.

Respectfully referred to Maj. Gen. E. S. Otis, military governor of the Philippines, for report.

By order of the Assistant Secretary of War:

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

[Second indorsement.]

OFFICE OF THE MILITARY GOVERNOR IN THE PHILIPPINES,
Manila, P. I., March 31, 1900.

Respectfully returned to the Assistant Secretary of War, Washington, D. C.

No material reduction of tariff dues in favor of United States goods be made until the fifteenth article of the treaty of Paris is terminated; else resident merchants will ship nearly all European goods through ports of Spain, as formerly. In that case Spain would reap many of the benefits of the Philippine trade. If American vessels were given privilege of coasting trade, a vessel leaving San Francisco could touch at Asiatic ports, and from thence be cleared by United States consuls direct for closed ports.

This has been done in one instance, much to the detriment of our revenue. If American vessels were made to clear from Manila, Cebu, or Iloilo for all coasting trade and again enter and manifest at an open port before departure from the islands, their trade could be supervised and no revenue lost.

E. S. OTIS,
Major-General, U. S. Vols.,
U. S. Military Governor of the Philippine Islands.

[Third indorsement.]

WAR DEPARTMENT,
Washington, May 2, 1900.

Respectfully referred to the honorable the Secretary of the Treasury, with request for an expression of his views hereon. The return of this paper is desired.

G. D. MEIKLEJOHN,
Acting Secretary of War.

[Fourth indorsement.]

TREASURY DEPARTMENT, *May 8, 1900.*

Respectfully returned to the honorable the Secretary of War, attention being invited to the letter from this Department, dated the 7th instant, relating to the matters within mentioned.

L. J. GAGE, *Secretary.*

HOUSE OF REPRESENTATIVES,
Washington, April 7, 1900.

Hon. G. D. MEIKLEJOHN,
Assistant Secretary of War, Washington, D. C.

SIR: In the interest of the fruit growers and canners of California I respectfully suggest that the Philippine tariff be so amended as to permit of the importation of California canned goods into the Philippines. The excessive rate of 20 cents per kilogram charged on all alimentary preserves is virtually prohibitory. At this rate the duty on a can of tomatoes is about 20 cents, or several times the cost price in California.

I suggest that the tariff schedule be amended by the addition thereto of the following paragraph:

Vegetables and fruits preserved in any manner, except in brandy, in tins or otherwise, 2 cents per kilogram.

Or perhaps the rate charged in the Porto Rican tariff schedule on such goods, viz, 15 per cent ad valorem, which, I understand, would be a lower rate than above suggested, is more equitable. If it is possible to give the California fruit growers and canners the benefit of a rate on their goods into the Philippines similar to that enjoyed by the Eastern fruit growers and canners in shipping into Porto Rico, it will be appreciated.

If the reduction above suggested can be brought about without the delay incidental to a reference of this matter to the authorities in the Philippines, I beg to assure you that it will be greatly appreciated by the people of California, as well as by myself.

Very respectfully, yours, J. C. NEEDHAM.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., May 7, 1900.

The SECRETAEY OF WAR.

SIR: I have the honor to acknowledge the receipt by reference dated the 2d instant from your Department, with a request for the expression of my views, of the following cable dispatch, with indorsements:

MANILA, *February 14, 1900.*

PRESIDENT: Respectfully urge immediate action substituting American laws for Spanish reduction where duties are excessive, adjustment of shipping regulations so American vessels may operate in coasting trade without resident ownership.

AMERICAN CHAMBER OF COMMERCE.

In reply thereto I have the honor to say that the statement of the American Chamber of Commerce, of Manila, referring to certain duties said to be excessive is too vague for the consideration of this Department. It is suggested, therefore, that through the proper channels a

more specific statement be obtained from the American Chamber of Commerce.

The provision in the Philippine regulations, Tariff Circular No. 81, issued by your Department July 8, 1899, paragraph 1 (*a*), relating to vessels owned by citizens of the United States residing in the Philippine Islands, should not be construed as preventing an American citizen resident in the Philippines from taking out the certificate of protection as agent for an American citizen residing elsewhere. A copy of the laws of the United States relating to the authority of an agent to take out marine papers in the name of the owner resident at another port is transmitted herewith for the guidance of the officers of your Department in the Philippines.

Referring to the following indorsement of the military governor of the Philippines—

> If American vessels were given privilege of coasting trade, a vessel leaving San Francisco could touch at Asiatic ports and from thence be cleared by United States consuls direct for closed ports.
>
> This has been done in one instance, much to the detriment of our revenue. If American vessels were made to clear from Manila, Cebu, or Iloilo for all coasting trade and again enter and manifest at an open port before departure from the islands, their trade could be supervised and no revenue lost.

I have the honor to state that in my opinion that officer, as a military measure, has the authority to determine what ports in the Philippine Islands shall be open for the entry and clearance of vessels either in the foreign trade or in the coasting trade of the archipelago. If he shall determine that only certain ports are open for these purposes, I have the honor to suggest that he be instructed to communicate as promptly as possible the names of such open ports.

Respectfully,

L. J. GAGE, *Secretary.*

Section 4161, R. S.: Whenever any vessel entitled to be registered is purchased by an agent or attorney for or on account of a citizen of the United States, such vessel being in a district of the United States more than fifty miles distant, taking the nearest usual route by land, from the one comprehending the port to which, by virtue of such purchase, and by force of this title (R. S., 4131–4305), such vessel ought to be deemed to belong, it shall be lawful for the collector of the district where such vessel may be, and he is hereby required, upon the application of such agent or attorney, to proceed to the registering of the vessel, the agent or attorney first complying, on behalf and in the stead of the owner thereof, with the requisite prescribed by this title in order to the registry of vessels, except that, in the oath taken by the agent or attorney, instead of swearing that he is owner or an owner of such vessel, he shall swear that he is agent or attorney for the owner thereof, and that he has in good faith purchased the vessel for the person whom he names and describes as the owner thereof.

Section 4162, R. S.: Whenever any vessel registered in pursuance of the provisions of the preceding section shall arrive within the district comprehending the

port to which she belongs, the certificate of registry so obtained shall be delivered up to the collector of such district, who, upon the requirements of this title (R. S., 4131–4305) in order to the registry of vessels being compiled with, shall grant a new one in lieu of the first. The certificate so delivered up shall forthwith be returned to the collector, who shall transmit the same to the collector who granted it. If the first-mentioned certificate of registry is not delivered up as above directed, the owner and master of such vessel, at the time of her arrival within the district comprehending the port to which she may belong, shall severally be liable to a penalty of one hundred dollars, and the certificate of registry shall thenceforth be void.

Section 4163, R. S.: If any of the matters of fact alleged in the oath taken by an agent or attorney to obtain the registry of a vessel which are within the knowledge of the party so swearing are not true, there shall be a forfeiture of vessel, together with her tackle, apparel, and furniture, in respect to which the same was made, or of the value thereof, to be recovered, with cost of suit, of the person by whom such oath was made. (Navigation Laws of the United States, 1899, pp. 32-33.)

COMMITTEE ON IRRIGATION OF ARID LANDS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 14, 1900.

The SECRETARY OF WAR.

DEAR SIR: I inclose correspondence from Manila, published in the Portland Oregonian of May 9, a statement of the tariff imposed upon goods shipped from the United States to Manila, and also an editorial comment on behalf of the Oregonian. I desire particularly to call your attention to this tariff, especially with reference to flour and food products. I should be pleased to know whether this is a correct list and, if so, whether it would not be possible to very materially modify the order under which this tariff has been levied.

The Pacific coast is especially interested in establishing a market for flour in eastern Asia. Great advancement has been made in that direction. It controls a large portion of that trade. One of the necessary steps to take is to teach the people there to use flour, make and eat bread. It seems to me that the Government, as much as possible, should lend encouragement to this enterprise. To a great many people the large tariff imposed upon flour, cheese, butter, and other food products will appear to be unjustifiable, and will probably produce little revenue.

I earnestly call your attention to this subject and, I think, voice practically the unanimous sentiment of the people of the Pacific coast when I ask for a very material modification of this tariff upon such food products.

I have the honor to remain, very truly, yours,

THOS. H. TONGUE.

(Referred to Tariff Revision Board, Manila, P. I.)

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 6, 1900.

Hon. ELIHU ROOT,
Secretary of War.

MY DEAR SIR: You will remember my conversation with you this morning with reference to the inclosed letter.

You request me to mail it to you and that you would refer it to the board recently appointed by you to consider tariff schedules in the Philippines.

The Chemical Paper Company is a business concern of fine standing, located in my Congressional district. Its manager would make no complaint in this matter were it not for the fact that present conditions are not only seriously injuring their business, but absolutely prohibiting it in the Philippines.

Please give the subject your earnest and prompt attention.

Very truly, yours,

GEO. P. LAWRENCE,
First Massachusetts.

CHEMICAL PAPER COMPANY,
Holyoke, Mass., June 2, 1901.

Hon. G. P. LAWRENCE,
House of Representatives, Washington, D. C.

DEAR SIR: We wish to call your attention to a matter which seems to work an injustice to citizens of the United States, and to your constituents in particular—a matter which places them at a disadvantage in business transactions with their own people as compared with transactions with foreign countries.

We make large quantities of paper-box board, which is made into boxes for tobacco, cigarettes, medicine bottles, ice cream, and similar articles. Much of this is made up into these boxes and printed in this country and exported to the Philippine Islands. We are advised that the present tariff for the Philippines raises the cost of this product to the purchaser in Manila and thereabouts about 150 per cent, which is practically prohibitive. On the other hand, the same material when delivered to foreigners in Japan or China or adjacent countries pays only about 15 per cent duty. Thus while the duty in Asiatic countries does not prohibit our doing business with them, yet the duty at present in vogue in the Philippines does practically prohibit business with them, and the Philippines are part of our own possessions. Cannot something be done to rectify this, and be done speedily?

Awaiting your reply, we are,

Yours, very truly,

CHEMICAL PAPER CO.,
E. W. ADAMS, *Agent.*

WAR DEPARTMENT,
Washington, June 14, 1900.

SIR: I have the honor to acknowledge the receipt of your letter of the 6th instant, inclosing a communication from the Chemical Paper Company, of Holyoke, Mass., dated the 2d instant, requesting a reduction of the Philippine duty upon paper boxes for tobacco, etc.

In reply I beg to inform you that a board of officers has been appointed at Manila for the purpose of revising the Philippine tariff, and that your communication with its inclosures have been forwarded for consideration by that board.

Very respectfully,

ELIHU ROOT,
Secretary of War.

Hon. G. P. LAWRENCE,
House of Representatives.

JULY 5, 1900.

WAR DEPARTMENT, *Washington, D. C.*

GENTLEMEN: A short time ago we noticed an article in one of the daily papers—about June 7—stating that the Secretary of War had directed the military governor of the Philippines to appoint a board of revision of the tariff schedule on goods imported into the Philippine Islands. If it is permissible to do so, we would like to make a few comments on the subject in so far as it applies to the business in our line.

We believe that experience has thoroughly demonstrated that an ad valorem duty is the proper one upon watches. Heretofore the Philippine duty has been a specific one, ranging as follows:

Gold watches	each..	$4.00
Silver watches	do....	2.00
Watches of other metals	do....	2.00

Under the heading of "Gold watches" the custom-house has always classified not only solid gold watches, but those which are known to the trade as "gold-filled watches"—that is, a watch the case of which is made of a plate of gold on the outside and the inside, with a layer of brass or base metal between. Now, these filled watches are made of many qualities. Originally they were all made of one quality, but from time to time competition has brought into the market lower grade after another, until now there are manufactured gold-filled cases guaranteed to wear anywhere from five years to twenty-five years. Our first-quality goods we guarantee not to wear through the plate of gold in twenty-five years. We make a second quality guaranteed to wear twenty years, a third quality guaranteed to wear ten years, and a fourth quality guaranteed to wear for five years.

These filled watches run in price from about $3 up to $40, and it will be quite apparent that a specific duty of $4 each, which applies

to a gold-filled watch running from $3 to $40, also to a gold watch which may run up as high as $100, is a very unjust one. The same thing practically applies to $2 each on silver watches and base-metal watches, for silver watches will run in price from $3 to $35, and the base metal from $1 to $30, according to the various grades and quality of movements contained in the cases. Thus many kinds of watches which could be shipped to that market are kept out because the duty which they bear is entirely too high in proportion to the original cost of the watch, whereas, under an ad valorem duty it would permit any price or quality of watch to be entered into that market upon an equal basis of the cost of the goods in that quality, and as in the Philippine Islands, as in every other market in the world, there are all classes and conditions of people who want watches, it is important for manufacturers that the duties are so adjusted as not to handicap any one line.

As to the amount of specific duty which watches will stand in a market like the Philippines, we presume it would be the desire of the Department to place on them such a duty as would produce the most revenue without unnecessarily handicapping the business. Many years of experience in the exporting of watches to all parts of the world have taught us that those countries which put the largest duties on watches are the countries which derive the least revenue therefrom. Or, to speak frankly, watches are articles which can very easily be smuggled, and when the duty is made too high smuggling is the unavoidable result. We therefore sincerely trust that when adjusting the rate on watches for the Philippines it be made such a rate as would avoid smuggling to the greatest possible extent, as that is the kind of business that we have always steered clear of, and in some markets we have been entirely barred out because we would not connive at this sort of business.

As to the exact percentage of duty which watches will stand, without creating undue smuggling, that, of course, is a matter of opinion. We believe, however, that in a country like the Philippines, that 15 per cent is the maximum amount they will stand, and it is a question in our minds whether the greatest amount of revenue could not be derived at a flat ad valorem duty of 10 per cent than at any other rate that could be established. Ten per cent would be too small to warrant the goods being shipped in any other way except through the channels, and there are so many lines of watches which could be placed in that market, if they did not bear the burden of over 10 per cent duty, at prices which would bring them within the limit and reach of a large class of people that we feel confident in a very short time it would double or treble the importations.

Yours, very truly,

THE KEYSTONE WATCH CASE COMPANY, *Agent.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., November 21, 1900.

GENTLEMEN: By direction of the Acting Secretary of War, I have the honor to acknowledge the receipt of your letter of the 14th instant, with copy of your letter of July 5 last, concerning the duty upon watches upon their importation into the Philippine Islands.

In reply I beg to inform you that your letter of July 5, above mentioned, was, on the 7th of the same month, referred to the board of officers which had been appointed to consider the revision of the tariff for those islands.

I would add that the report of this board is now in the hands of the Philippine Commission, to whom your recent communication has been referred.

The work of the Commission will probably be published in the trade journals of this country, and suggestions and criticisms invited. After a proper consideration the final revision, upon approval by the Secretary of War, will be promulgated, and probably sixty days will be allowed to intervene between its promulgation and the date it shall become effective.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

The KEYSTONE WATCH COMPANY.
Philadelphia, Pa.

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, U. S. A., November 14, 1900.

WAR DEPARTMENT, *Washington, D. C.*

GENTLEMEN: We understand that the matter of tariff of the Philippine Islands, which some months ago was referred to the Philippine Commission, has been referred back to the Department at Washington, and the result of their investigation is to be published for discussion among those interested in foreign commerce before final revision and passage. We would, therefore, take this opportunity of inquiring whether it would be permissible for us to have a copy of the recommendations of the Commission, in so far as it applies to watches; if so, we should be very glad indeed to receive it.

We presume that the object of arranging the new tariff, in so far as watches are concerned, would be simply one of revenue, and in no sense of protection, as there are no watches manufactured in the Philippine Islands, nor is it likely that there will be for many years to

come at least. We addressed you a letter on this subject July 5 a copy of which we beg to inclose you herewith.

The exportation from this country of watches has in the past few years become a very important item and is having a rapid growth. We believe that the Philippines will become a very important field for the American watch manufacturers, if once a duty is so adjusted as to make it just and equitable on all prices and quality of goods, and also if it is not placed so high as to encourage irregular methods of shipments, as experience has taught us that in those countries where they put on excessive duties we are barred out, owing to the fact that we can not compete with certain classes of shippers who are willing to adopt methods which we can not in our business consider.

If there should be anything in the way of statistics or information that you should want in connection with adjusting the tariff on the Philippine Islands, we should be very glad to furnish anything of the kind that is in our power.

Yours, truly,

THE KEYSTONE WATCH CASE CO.,
C. M. FOGG, *Agent.*

(Forwarded by indorsement to the Philippine Commission, November 23, 1900.)

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, Pa., February 13, 1901.

WAR DEPARTMENT, *Washington D. C.*

GENTLEMEN: Referring to your letter of November 21, 1900, on the subject of revision of tariff in the Philippine Islands, we beg to advise that one of our parties in Manila, who is soliciting orders for our goods, has notified us that the new tariff for the Philippines specifies that watch cases of gold or gold filled will pay duty on their net weight; silver and nickel watches will pay a specific duty; also that watch movements will pay a duty which will be graduated by the number of jewels in the movement.

Will you be kind enough to advise us whether the new tariff for the Philippine Islands has actually been determined; and if so, whether the above-mentioned points are correct? We should also be glad to learn when the new tariff will go into effect.

Yours, truly,

THE KEYSTONE WATCH CASE CO.,
Per J. F. EISLEY.

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, Pa., February 25, 1901.

WAR DEPARTMENT, *Washington, D. C.*

GENTLEMEN: On February 13 we addressed you a letter on the subject of revision of tariff in the Philippine Islands. To this we have as

yet received no reply. We again bring the matter to your attention, and if you are at this time unable to give us any definite information regarding what the new duties will be, can you advise us as to the probable time when this new tariff will take effect?

We have a number of orders here, in which our agent clearly specifies that the necessary information regarding the net weights and number of jewels in movements are to be supplied when these goods are shipped, in order that they may pass the customs in Manila without any difficulty.

We are very anxious indeed to make prompt delivery of this merchandise, but unless you can advise us about when the new tariff will take effect, or give us some information regarding exactly what will be required in the way of data for customs purposes, we will be unable to forward the goods.

We should be very glad to have you favor us with any information relative to the matter that you are in a position to supply.

Yours, truly,

THE KEYSTONE WATCH CASE CO.,
Per J. F. EISLEY.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 1, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of February 25, and others of previous date requesting information relative to the new duties to be enforced in the Philippine Islands.

In reply I beg to inclose a copy of the proposed tariff, and to request that any suggestions or criticisms you may care to make relative thereto be sent to this Department before April 15 next.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-seventh Infantry, U. S. V.,
Chief of Division.

The KEYSTONE WATCH CASE COMPANY,
Philadelphia, Pa.

CINCINNATI, *August 9, 1900.*

Hon. JOHN HAY,
Secretary of State, Washington, D. C.

MY DEAR SIR: Suggestions or opinions as to the construction of the new Philippines tariff, I believe, have been asked for, for submission to those assigned the task of formulating the tariff on that subject.

I inclose a few general suggestions on that subject.

Very truly yours,

JAMES J. HOOKER.

CINCINNATI, *August 9, 1900.*

The PHILIPPINE TARIFF COMMISSION.

GENTLEMEN: As one who has been an earnest advocate of our control in the Philippines, I am strongly imbued with the belief that the greatest obstacle in the way is likely to be the lack of appreciation by American manufacturers, merchants, and bankers, not to say their indifference, as to their opportunities. And there can be no cause which will operate so greatly in influencing this as the creation of a complicated tariff on imports.

To my mind, there should be only three considerations controlling the construction of the Philippines tariff.

First. Financial requirements to meet necessary expenses of the General Government, free public school system, harbor improvements, light-house service.

Second. A tariff that shall admit at the lowest possible rate of duty, if not entirely free, all manufactured and agricultural products of the United States, excepting beer, etc.

Third. All machinery required for the development of the agricultural, timber, and mineral resources of the island should be admitted free. In fact, this should apply to all machinery for whatever purpose it is required, excepting distilling and brewing.

While I was originally an advocate of the open door in the Philippines, at the same time the door should not be open to such countries as close it against the United States in Africa or Asia. In other words, if the Germans shut us out at Shantong and the French out of Madigascar, as they have done, they should be shut out of the Philippines.

The way should be left easy for the importation of food products from Australia. Situated almost midway between Australia and Hongkong, Australia can and will become a larger factor in the development of the archipelago. The vigorous and progressive Anglo-Saxons there should be encouraged by every means to aid us in the Philippines.

I might add that, in the consideration of a tariff, we should begin de novo, using the old Spanish merely as a basis for information as to the revenue derived from various articles in the past. But even this will be an unsafe guide as, under the new order of things, the requirements of the people in the way of foreign merchandise will be largely changed.

Respectfully submitted.

JAMES J. HOOKER.

DEPARTMENT OF STATE,
Washington, August 27, 1900.

The SECRETARY OF WAR.

SIR: I have the honor to inclose herewith for your information, and, if the latter be within the jurisdiction of your Department, for such

consideration as may be proper, a copy of a letter, with an inclosure, from James J. Hooker, offering a few general suggestions as to the construction of a new tariff for the Philippines.

A letter similar to this has been addressed to the Secretary of the Treasury and to the Philippine Commission, and Mr. Hooker has been informed of this reference.

I have the honor to be, sir, your obedient servant,

ALVEY A. ADEE,
Acting Secretary.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., August 29, 1900.

SIR: I have the honor to acknowledge receipt of your communication of the 27th instant, transmitting copy of a letter and of its inclosure, from Mr. James J. Hooker, offering a few general suggestions as to the construction of a new tariff for the Philippines.

In reply I beg to advise you that the same has been referred to the military governor of those islands for the consideration of the board of officers appointed to revise said tariff.

Very respectfully,

ELIHU ROOT,
Secretary of War.

The SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, September 4, 1900.

The SECRETARY OF WAR.

SIR: I have the honor to inclose for your consideration copy of a dispatch from the consul-general at Singapore, transmitting a newspaper article in regard to the high tariff on goods imported into the Philippines, and stating that merchants in Singapore complain that the duties are excessive and retard the development of the islands.

I have the honor to be, sir, your obedient servant,

DAVID J. HILL,
Acting Secretary.

No. 121.] UNITED STATES CONSULATE-GENERAL,
Singapore, July 26, 1900.

Hon. DAVID J. HILL,
Assistant Secretary of State, Washington, D. C.

SIR: I have the honor to inclose cutting from the Manila Freedom of 30th June last, containing a criticism on what is considered the very high tariff prevailing at Manila, P. I., also copy of a letter from

Boustead & Co., one of the oldest and wealthiest firms of merchants in this city, complaining of the excessive duty they had to pay on their shipment of canned pineapples at Manila.

In connection I would say that much adverse criticism has been expressed to me by merchants in this settlement upon the prohibitory tariff dues and other charges in force in the Philippines, which they allege to be more burdensome than during the Spanish occupation, and tend to greatly restrict the trade as well as retard the development of those islands.

I have the honor, etc.,

R. A. MOSELY, Jr.,
United States Consul-General.

SINGAPORE, *July 17, 1900.*

R. A. MOSELY, Jr., Esq.,
Consul-General for the United States of America.

DEAR SIR: We take the liberty of calling your attention to the outrageous duties now being exacted on goods, especially tinned canned goods, arriving in the Philippines.

Our agents at Manila inform us that on 150 cases pineapples shipped by us on consignment, costing $820 Mexican, duty amounting to $1,260 Mexican has had to be paid. We have instructed our friends to return the goods provided they can recover the duty, but their efforts in this direction, according to a telegram received a day or two ago, have proved fruitless. It appears that the only way of getting out of the difficulty is to sell the pines at auction—a course, we may say, we are most reluctant to agree, as the loss by so doing will be very serious. In the meantime we are doing nothing in the matter until we get fuller particulars from our friends.

We are, dear sir, yours, faithfully,

P. P. BOUSTEAD & Co.,
By WM. MACKAY.

[Copy of newspaper article.]

SATURDAY, *June 30, 1900.*

NO CHINESE WALL WANTED.

The present tariff on American as well as other foreign goods has constituted a Chinese wall around these islands, so far as trade relations are concerned. During the Spanish régime we had free trade with Spain. Now we have free trade with nobody. We are compelled to submit to an enormous extortion in order to buy goods from our own country. The American manufacturers might as well try to

sell their goods in the moon as in the Philippine Islands. When he gets his goods in the harbor, after bringing them ten thousand miles, he is met with a huge tariff which he must pay. The transport monopoly exacts another big stake. He finds that he must hire a lawyer in order to get the stuff through the custom-house, and the lawyer has to have a fee. Before he finally gets his goods ashore he finds that he is not only nearly bankrupt, but he is on the verge of insanity besides. Then, in order to make himself whole, he is forced to sell his goods at a price which no one but the rich can pay. As this class is not numerous in Manila, the business becomes a failure, and the next thing he knows the sheriff is around tacking up notices on his door.

Take the case of canned goods, for example: On a case of goods which is worth $3.50 Mexican he must pay a duty of $4.80.

Then he must pay harbor charges amounting to 48 cents.

Then he must pay $1.92 for "commercial improvement."

When that is paid he has just begun paying and must pay 25 cents landing charges.

When he gets through with his dealings with the custom-house he finds that his $3.50 case of goods has cost him $11. After that he has his lawyer to pay, as well as the hauling to his store.

Is it any wonder that no canned goods are sold in these islands?

The same facts will apply in a greater or less extent to other products of American manufacturers. About the only goods that can be imported and sold at a profit are whisky, beer, and opium, and we have enough of these things already. We want something from America to eat and wear and machinery with which to develop the country. We want a chance to make a living. We want this tax taken off of trade with our own country and our own people. We don't wish to be subjected to this skin game any longer. We want commercial liberty, at least with our own people. We want this commercial Chinese wall around these islands torn down. If it can not be done, American enterprises might as well get out before the Filipinos are compelled to take up a subscription and send our business men home on pauper ships.

Those tin statesmen in Washington pound their desks and howl themselves hoarse about "opening up trade in the Philippines." One can hear them the whole length of Pennsylvania avenue glorying about "welding the two countries into a commercial union," and endless rot of this sort. The first thing that these counterfeits do is to build a tariff wall between us and our own country which makes it impossible to sell American goods.

The evidence gathered by the board of health goes to show that 75 per cent of the spirits sold in Manila was bogus. What this means is simply this: That 75 per cent of these supposed American liquors are

made right here in the Philippines and have never seen America. What can we expect when we have made it so difficult to get American goods into these islands? How long will it be before most all American goods will be manufactured right here?

Talk about our "trade." There is no trade. There can be no trade as long as this Chinese wall remains.

Batter it down with a 13-inch gun.

WAR DEPARTMENT,
Washington, September 8, 1900.

SIR: I have the honor to acknowledge the receipt of your letter of the 4th instant, inclosing, for the consideration of this Department, copy of a dispatch from the consul-general at Singapore, transmitting a newspaper article in regard to the high tariff on goods imported into the Philippines, and stating that merchants in Singapore complain that the duties are excessive and retard the development of the islands.

In reply, I beg to advise you that, by direction of this Department, on June 9 last the military governor of the Philippine Islands appointed a board of officers to revise the United States provisional customs tariff and regulations for those islands. Copies of the revised tariff will be transmitted to you when the same shall have been promulgated.

Very respectfully,

G. D. MEIKLEJOHN,
Acting Secretary of War.

The SECRETARY OF STATE.

NEW YORK, *September 17, 1900.*

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

SIR: Pardon us for addressing you, but we are extensively interested in the export business to the Philippine Islands, and having observed in the newspapers sometime ago that a commission had been appointed to revise the tariff of the Philippine Islands, we write to inquire whether this report is correct, and also, if so, whether you can inform us, even although indefinitely, when the revision committee is likely to finish its labors and when the new tariff will go into effect.

Thanking you in anticipation,

Yours, faithfully,

BUSK & JEVONS.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., September 20, 1900.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 17th instant,

asking when the board of officers appointed to revise the Philippine tariff is likely to finish its labors and when the new tariff will go into effect.

In reply I beg to advise you that the report of said board was transmitted to the Philippine Commission on the 29th ultimo. The new tariff as recommended by the Commission will be submitted to the Secretary of War for his action, and after approval by him, a promulgating order will be issued putting it in force. This will probably be done within a few months.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

Messrs. BUSK & JEVONS,
301 Produce Exchange, New York, N. Y.

ST. CHARLES CONDENSING COMPANY,
St. Charles, Ill., July 18, 1900.

Hon. E. ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: We would request that you kindly advise the present duty upon condensed milk imported to the Philippine Islands from the United States, and also upon imports from other countries, in case there is a difference in the duty charged on United States imports and those from other nations.

Your prompt reply will oblige,

Yours, very truly,

ST. CHARLES CONDENSING CO.,
Per P. E. GIFFORD.

WAR DEPARTMENT,
Washington, July 20, 1900.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 18th instant, asking the present duty on condensed milk imported into the Philippine Islands from the United States and other countries.

In reply I beg to advise you that the duty assessed on the importation of this article is the same from all countries. The present rate of duty is $0.20 (Mexican) per kilogram, plus surtaxes amounting to $0.10 (Mexican) per kilogram.

You are further informed that the revision of the Philippine tariff is now being considered by a board of officers at Manila and that all

suggestions and recommendations relative to the subject which are submitted to this Department are forwarded for its consideration.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

ST. CHARLES CONDENSING COMPANY,
St. Charles, Ill.

NOVEMBER 1, 1900.

Hon. JOHN H. KETCHAM,
Murray Hill Hotel, New York City.

MY DEAR GENERAL: Relative to the matter we have already mentioned, namely, the proper rate of duty on condensed milk and evaporated cream for the Philippines, we would say that under the former Spanish régime and the high rates of duty the importations of genuine brands in the Philippines amounted to so small an item as to be of no importance whatever. The high rate of duty necessarily encouraged the smuggling of goods, bribing of custom-house officials, and the importation of inferior goods of so poor a quality as to actually injure the sale of legitimately manufactured milk, all of which causes, of course, tended to prohibit the development of business. If a high rate of duty is continued there will be an incentive for the importers to purchase the cheapest known brands of milk, which are usually adulterated and skimmed milks, which are manufactured in Europe on a large scale, more particularly in Holland. In this country it is not permissible for any manufacturer to put up skimmed condensed milk, and we are not aware of a single concern that does this kind of business. It can be readily seen that milk properly manufactured from full-cream product can not successfully enter into competition with that which has been deprived of its butter fats. If, however, the rate of duty in the Philippines is made the same as it is in Cuba at the present time, namely, 10 per cent ad valorem, it places pure unadulterated condensed milk within the reach of the people as to prices, and the United States on a fair footing can secure the bulk of the business in this line.

Prior to the Spanish war there was more or less trade in Cuba, but to no such extent as there is at present, and while European manufacturers are competing in the latter market they have to do so with a good quality of milk, or the best they can make. We believe, therefore, that the actual results of the Cuban tariff will net a larger income of revenue for the island on milk at the 10 per cent duty than was formerly available at the old Spanish rate, and we are quite positive that a similar result will prevail in the Philippines. We appreciate the fact

that the Government must have a revenue there which will be sufficient to meet the expenses, and if we were to pass an opinion on the matter aside from our own personal desire to see a low tariff on milk we would say that a reasonable tariff not high enough to stop importations would give better results, which condition would not only advance the interests of the Government itself but also the American manufacturer who is working to secure that trade.

Very sincerely, yours,

BORDEN'S CONDENSED MILK COMPANY,
———— ————, *Secretary.*

(Referred to division of insular affairs, and in turn referred to the Philippine Commission.)

[First indorsement.]

DOVER PLAINS, N. Y., *November 7, 1900.*

Respectfully referred to Lieut. Col. Clarence Ransom Edwards, chief division customs and insular affairs, War Department, fully concurring in the recommendation of Borden's Condensed Milk Company in regard to the duty on condensed milk, etc., for the Philippine Islands. This company has four large condensed-milk factories in my district and it is our leading industry.

J. H. KETCHAM, M. C.,
Eighteenth District, New York.

[Second indorsement.]

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF CUSTOMS AND INSULAR AFFAIRS,
Washington, November 13, 1900.

Respectfully referred, through the military governor, to the Philippine Commission for its consideration.

By order of the Acting Secretary of War.

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

[Telegram.]

SAN FRANCISCO, CAL., *October 9, 1900.*

CHIEF OF BUREAU CUSTOMS AND INSULAR AFFAIRS,
War Department, Washington, D. C.:

Is Department contemplating advance or reduction in duty rate California brandies and wines for Philippines; and if so, how much has Philippine Commission power to change customs tariff without reference to Washington?

JULIUS KAHN.

[Telegram.]

WAR DEPARTMENT, *October 13, 1900.*

Hon. JULIUS KAHN, *San Francisco, Cal.:*

Philippine tariff now under consideration by Philippine Commission. No representations made to them with regard to advance or reduction duty rate California brandies or wines.

EDWARDS.

THE COLTON EXPORT AND IMPORT COMPANY,
New York, October 16, 1900.

DIVISION OF CUSTOMS AND
INSULAR AFFAIRS OF THE WAR DEPARTMENT,
Washington, D. C.

DEAR SIRS: Since the occupation of the Philippine Islands by the Americans we have established a branch house at Manila for the object of engaging in the exportation from this country of a general line of American merchandise. We have done a fair business with that market in American cotton goods, but find it impossible to do a large volume of business, owing to the high tariff at the present time in existence. These goods are subject to a duty of 20 cents Mexican per kilo for cloth up to 25 threads per square millimeter and 32 cents Mexican per kilo for cloth up to 35 threads per square millimeter; in addition there is a surtax of 20 per cent on the duty, 10 per cent of the duty, and 8 per cent ad valorem. No matter how poor the quality of the goods, they are subject to the same excessive duties. We have found that the mills in this country do not turn out the very cheapest fabrics so largely manufactured by the Manchester and Barcelona mills, consequently it is very difficult to market our goods, as they are of a better quality than those largely imported at present and while the Philippine Islands were under Spanish rule. If a reduction in tariff is made, on not the cheaper grades of cotton goods, but on the medium and better classes, we feel that a large business is possible in American goods.

As you invite suggestions from houses doing business with that country, we take this opportunity of placing the matter before you.

We also call your attention to the high rates of duties now being levied on toilet and laundry soaps and canned goods. These are lines in which it is possible to do a large business in American goods, but the tariffs at present in existence are almost prohibitive. The selling price on such goods in the Philippine Islands is so very high, owing to the exorbitant tariff, that it places the goods beyond the reach of the average and middle classes.

We hope you will give the above your due consideration, and trust that the present unfavorable conditions of doing business in these lines will shortly be remedied.

Yours, very truly,

THE COLTON EXPORT AND IMPORT CO.,
M. F. COLTON, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., October 19, 1900.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 16th instant, making certain recommendations relative to the duty on cotton fabrics imported into the Philippine Islands.

In reply I beg to advise you that the revision of the Philippine tariff was undertaken by a board of officers some five months ago and that their report was placed in the hands of the Philippine Commission on August 29 last. A copy of your communication has been forwarded to the commission for its consideration in connection with the revision of the Philippine tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

The COLTON EXPORT AND IMPORT COMPANY,
530 Broadway, New York City.

ARMOUR & CO.,
Chicago, Ill., October 20, 1900.

DIVISION OF CUSTOMS AND INSULAR AFFAIRS,
War Department, Washington, D. C.

GENTLEMEN: We desire to call your attention to the present excessive duties imposed upon articles of our manufacture when imported into the Philippine Islands, and to urgently request that a reduction in these duties be made. At the present rate of duty our goods are placed beyond the reach of the average consumer, and it may be said without exaggeration that these rates are entirely prohibitory.

We sold to New York parties a line of the following-named articles, which were shipped some few months ago, and we are in receipt of a letter from the buyers showing the actual customs duties paid by them upon the goods. These show, in the case of leaf lard, a duty of 4.15 cents per pound; on ham or bacon, 4.15 cents per 1-pound tin, and on

roast beef nearly 14 cents per 2-pound tin. The items in detail are as follows:

	Mexican.
Leaf lard—100 cases 5-pound tins:	
Specific duty	$409.05
Ad valorem duty, 8 per cent	48.00
10 per cent of duty	40.90
Total	497.95
Or $248.98.	
Ham or bacon—100 cases, 2 dozen 1-pound tins to a case:	
Specific duty	163.50
Ad valorem duty, 8 per cent	19.18
10 per cent of duty	16.35
Total	199.03
Or $99.52.	
Roast beef—25 cases, each 24 2-pound tins:	
Specific duty	110.00
Ad valorem duty, 8 per cent	44.00
10 per cent of duty	11.00
Total	165.00
Or $82.50.	

From the above it can readily be seen that a large business is utterly impossible under present conditions. All these goods are in demand and can be sold provided they are subjected to a reasonable rate of duty, and we feel assured that when your attention is called to the excessive rates now in force you will recommend the necessary reductions to render it possible to engage in trade with the Philippine Islands.

That present duties are, in each of the cases noted, almost wholly prohibitive may be seen by the items given above, which show that upon lard the duty amounts to about 60 per cent, upon corned and roast beef about 70 per cent, and upon sliced ham and bacon about 20 per cent ad valorem.

This is a matter of very great importance to the trade generally as well as to ourselves, and we shall feel under great obligation if it is thoroughly investigated and given especial attention by you.

Yours, very truly,

ARMOUR & Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF CUSTOMS AND INSULAR AFFAIRS,
Washington, D. C., October 23, 1900.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 20th instant, relative to the duties upon articles of your manufacture imported into the Philippine Islands, and requesting that a reduction therein be made.

In reply I beg to advise you that some months since a board of officers was appointed to consider a revision of the Philippine tariff, and that on August 29 last their report was submitted to the Philippine Commission.

A copy of your communication has been forwarded to that body for its consideration in connection with the revision of the tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

Messrs. ARMOUR & Co.,
205 La Salle street, Chicago, Ill.

THE CHAMBER OF COMMERCE OF SAN FRANCISCO,
San Francisco, Cal., November 2 1900.

The SECRETARY OF WAR,
Washington, D. C.

SIR: Understanding from the public press that a tariff has been prepared by a board of army officers connected with the customs service in the Philippine Islands and referred to the Philippine Commission now there, and that this tariff will be sent to the War Department, we are very desirous of learning fully the particulars thereof and the manner in which it would affect the many products of our State and coast, in view of our increasing commerce with the islands. We therefore respectfully request that you kindly give us full particulars in regard to this, in order that our merchants may be duly informed as to its nature.

With assurance of our high esteem, I have the honor to subscribe myself, sir,

Your obedient servant, E. SCOTT, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., November 8, 1900.

SIR: By direction of the Secretary of War I have the honor to acknowledge the receipt of your letter of the 2d instant requesting information relative to the proposed revised tariff for the Philippine Islands.

In reply I beg to inform you that a revision of the Philippine tariff was undertaken by a board of officers in Manila some months since with orders to submit, upon completion, their report to the Philippine Commission, and that the same is now in the hands of that body

for consideration. Upon the completion of their revision it will be submitted to the honorable the Secretary of War.

The work of the Commission will probably be published in the trade journals of this country and suggestions and criticisms invited. After a proper consideration the final revision, upon approval by the Secretary of War, will be promulgated, and probably sixty days will be allowed to intervene between its promulgation and the date it shall become effective.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

Mr. E. SCOTT,
Secretary, Chamber of Commerce, San Francisco, Cal.

THE FIRST NATIONAL BANK,
Portland, Oreg., November 30, 1900.

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

MY DEAR SIR: Please find inclosed a clipping from the Oregonian, embracing a letter written by me some time ago, pertaining to the Philippine Archipelago. I learn that you are about to fix a new tariff for these islands, and I think it important that it should be fixed at the lowest possible rate, if there is to be a tariff. As long as it is under military rule and occupation you have the power and right to establish the duties on imports and exports, or otherwise fixing internal-revenue tax, which might yield to the Government an equal amount of revenue.

I wish to call your particular attention to the portion of the letter relating to the clause in commercial treaties, pertaining to the most favored nations, in which I take the ground that it has no relation to the treaty by which we acquired the Philippine Islands, and in my judgment has no relation to a commercial treaty by which other nations claim equal privileges under such commercial treaties.

I should be very glad to have you write me your views upon this subject. I inclose clipping embracing Senator Foraker's letter upon the same subject for your consideration.

Yours, very respectfully,

H. W. CORBETT.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., December 8, 1900.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 30th ultimo, with inclosure, relating to the Philippine tariff.

In reply I beg to advise you that the Department is very glad to receive your communication, and that the same has been filed for consideration by the Secretary, in connection with other papers bearing upon this subject.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

Hon. H. W. CORBETT, *Portland, Oreg.*

MANUFACTURERS AND PRODUCERS' ASSOCIATION,
San Francisco, December 3, 1900.

The SECRETARY OF WAR, *Washington, D. C.*

DEAR SIR: In view of the great importance to the members of this association and to all the people of the Pacific States of the proposed tariff on imports into the Philippine Islands, which we understand is now being prepared and is soon to be reported and submitted by the United States Civil Commission for the Philippine Islands to your Department, we desire to ask:

1. To be informed whether we are right in our understanding, as stated, of the present status of the matter.

2. Whether we are right in our understanding that it is the intention of your Department to give general publicity to said proposed tariff after it shall have been submitted to you and to allow a certain time during which suggestions and petitions relating to it may be filed with you for consideration in advance of final revision and promulgation.

3. If such be the case, to be informed, as soon as determined, what length of time will be allowed for the purpose of suggestions and petitions, as stated.

4. To be supplied with copies of all orders and notices of your Department on this subject heretofore issued, and likewise with those that may hereafter be issued that may be proper and necessary for our information.

5. We also, and especially, desire to file our request that when the said proposed tariff shall be made public at least 100 copies of same, in official form, shall be forwarded to this association at the earliest possible day and that a liberal supply be forwarded to the other commercial bodies of the Pacific States, a list of which is given in "A list of national, State, and local commercial organizations," issued by the Interstate Commerce Commission, Washington; D. C., for distribution among and for the information of those most interested and in order that none may be required to depend wholly upon press or other unofficial reports in a matter of such vital importance.

The interest of this State and of the other Pacific States in this subject is special and peculiar, owing to their proximity to our new possessions in the Orient and to the great number of natural and manufactured products of this section of the country which will, under wise tariff regulations, find a ready market in the Philippine Islands.

We have the honor to be, yours, very respectfully,

MANUFACTURERS' AND PRODUCERS' ASSN. OF CALIFORNIA,
By A. S. BARBORO, *President.*
CHARLES E. BANCROFT, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., December 10, 1900.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 3d instant, making inquiry relative to the proposed tariff for the Philippine Islands.

In reply I beg to advise you that a revision of the Philippine tariff was undertaken by a board of officers in Manila some months since, with orders to submit, upon completion, their report to the Philippine Commission, and that the same is now in the hands of that body for consideration.

The work of the Commission will probably be published in the trade journals of this country, and suggestions and criticisms invited. After a proper consideration the final revision, upon approval by the Secretary of War, will be promulgated, and probably sixty days will be allowed to intervene between its promulgation and the date it shall become effective.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Acting Assistant Adjutant-General.

MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
Rooms 2 and 3, sixth floor, Mills Building,
San Francisco, Cal.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., June 15, 1900.

SIR: By direction of the Assistant Secretary of War, I have the honor to transmit herewith, for the consideration of the board of officers recently appointed by you to revise the Philippine tariff, the complaints and suggestions as to the tariff schedules in those islands

received by this Department. Such others as may be presented will be promptly forwarded for the same purpose.

Your attention is also called to the papers submitted by the Stecher Lithographic Company, recently mailed to you, and to all papers on the subject of the tariff which have previously been transmitted.

It is requested that upon the completion of the work of said board, all of the cases referred to you by the Department or otherwise be returned here, with an indorsement on each showing the action taken thereon.

The Assistant Secretary of War is of the opinion that in the revision of the tariff the surtax of 8 per cent upon value and 10 per cent upon import duty should be eliminated, as well as the use of a table of values, which has been recommended by the collector of customs at Manila in his report of March 6, approved and forwarded by the military governor under date of March 10, 1900.

For the information of the board in its deliberations there have been forwarded under separate cover 12 copies latest Cuban tariff, 4 copies of the Dingley tariff, 4 copies Tariffs of Foreign Countries, 3 parts; copy of report of Hon. R. P. Porter in connection with the revision of the Cuban tariff; copy of Bulletin No. 14, Department of Agriculture.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

Maj. Gen. ARTHUR MACARTHUR,
Military Governor of the Philippines, Manila, P. I.

MANILA CHAMBER OF COMMERCE,
Manila, February 1, 1901.

Hon. W. F. TAFT,
President United States Civil Commission.

SIR: The attention of this chamber having been drawn to reports in the local newspapers that the new custom-house tariff would be enforced immediately on publication, this chamber would respectfully suggest that an interval of four calendar months be allowed between the date of publication and enforcement of tariff.

The chamber's reasons for making this suggestion are as follows:

By the proposed tariff, while the duties leviable on certain articles are increased, on others they are decreased, and it is with the object of allowing importers to clear stocks which have paid higher duties than what, under the tariff, will be enforced the above term of grace is asked for.

A heavy loss otherwise would be suffered by all holders of stock on which it is now proposed to reduce the duties.

At present very large stocks are held by importers, owing to the disturbed conditions during the past six months or so existing in many of the provinces, which has greatly restricted the offtake of imports generally.

It is to be hoped that a more peaceful and consequently prosperous condition of affairs will shortly be witnessed, and thus allow importers to reduce their present excessive holdings to normal limits.

It may be mentioned in connection with this point that during the first six months of the past year demand for imports generally was good, and importers, relying on a continuance of this condition of affairs, recommended further supplies freely.

Unfortunately the recrudescence of troubles in the provinces during the latter part of the past year upset all calculations as to supply and demand, and a large accumulation of stock became inevitable through absence of provincial offtake.

It is not, in the opinion of this chamber, desirable to give so lengthened a period between publication of the new tariff and its enforcement as to allow of fresh supplies of goods on which the duty will be raised being rushed in. Past experience has shown this to be disastrous, and the period of four months is suggested by the chamber to prevent same reoccurring. Fresh orders for goods, even if sent by telegram, could hardly be executed and arrive out to this market in this space of time.

This chamber has, therefore, after carefully studying the question, decided to request you to allow a period of four months to intervene between publication of new tariff and its enforcement, believing that while this period of grace may permit holders of stock, whose values will be adversely affected by the new tariff, to clear same, it is not sufficiently extended to allow of the notice being abused.

I have the honor to be, sir, your obedient servant,

R. ALDEN SMITH, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 4, 1901.

SIR: I have the honor to acknowledge the receipt of your communication of February 1, 1901, addressed to the Hon. William H. Taft, president of the United States civil commission, in which it is requested that a period of four months be allowed to intervene between the date of the promulgation and enforcement of the new tariff.

In reply I beg to advise you that your letter will be given careful consideration when the final revision of the tariff is taken up by the Department.

Respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

R. ALDEN SMITH,
Secretary Manila Chamber of Commerce, Manila, P. I.

PROPOSED CUSTOMS TARIFF FOR PORTS IN THE PHILIPPINE ARCHIPELAGO AS RECOMMENDED BY THE PHILIPPINE COMMISSION.

SUGGESTIONS AND RECOMMENDATIONS INVITED BY THE WAR DEPARTMENT UNTIL APRIL 15, 1901, TO BE CONSIDERED WITH A VIEW TO AMENDMENTS BEFORE PROMULGATION.

INSULAR DIVISION,
OFFICE OF THE SECRETARY,
WAR DEPARTMENT, WASHINGTON, D. C.

LETTER OF TRANSMITTAL.

UNITED STATES PHILIPPINE COMMISSION,
Manila, December 29, 1900.

SIR: Inclosed herewith is a copy of the new tariff bill for the Philippine Islands, which was read a second time in the Commission yesterday, and which is now forwarded for your examination before its final passage.

The little time intervening before the departure of the mail and pressure of other matters preclude the possibility of any extended statement of the considerations which influenced the Commission in the adoption of this bill.

In the preparation of the bill the classification of the Cuban tariff has been followed largely, but has been considerably expanded by the introduction of articles requiring special treatment here by reason of different surroundings and greater distance from the markets, and still further enlarged by the new expedient of making the Index and Repertory a part of the bill and using it as a means of classifying many articles whose proper dutiability might otherwise be somewhat obscure under the very general phraseology of the act itself. The bill contains only two numbers—380 (*a*) and 380 (*b*)—assessing an ad valorem duty. As these numbers embrace only crude materials and goods not elsewhere provided for, they are likely to be resorted to only in exceptional cases where importations are unusual and values not likely to be misrepresented, while the rates of duty imposed—10 per cent on crude materials and 25 per cent on all other goods—hold out little inducement to importers to evade the lower duties imposed by the regular schedules.

It is proper to say that in the haste of the preparation of the index some errors may have been committed, and if the Department has the tariff printed the index ought to be carefully verified.

The bill in its present state has not been printed here: Only the first nine classes of the proposed bill were printed by the newspapers, and that very imperfectly. The intention of the Commission that proposed legislation affecting the public should be published before action, failed, therefore, of accomplishment as to this act.

The limited facilities of the newspapers prevented the publication in time of the greater part of the bill, and although business interests

were represented to some extent throughout the discussion, the public generally had not the opportunity which has been afforded it heretofore in all important legislation.

It is quite probable, however, that the fullest publication would have caused small increased attention, as the disposition of the business interests here is to accept any tariff which the Commission proposes, provided that the duties are specific and not ad valorem. Upon that subject the mercantile community is practically unanimous, and with reason. The just and proper appraisement of imported merchandise is entirely beyond the present or prospective equipment and personnel of the customs service, and the expense of importing and paying adequate talent would be extremely burdensome. On that subject the report of the army board appointed to revise the tariff, which is incorporated in the last annual report of the military governor, may be profitably referred to. That report as a whole was of great assistance in the preparation of the present bill. The framework of the alimentary schedules has been of especial value and, with slight modifications, is embodied in the present bill.

Throughout the bill the question of revenue has been kept steadily in view. The necessary food products, the raw materials of industries here, the tools, implements, and machinery of production, the materials of transportation by land and sea, and the producers and transmitters of power have been as lightly taxed as possible.

To manufactured goods and articles have been assigned rates graduated to the means and necessities of the consumers, due regard being had to the many existing industries and to those which must inevitably be introduced in the near future.

Luxuries, whether in beverages, food, clothing, carriages, or ornaments, have been taxed as highly as is consistent with the production of the most revenue.

Kerosene oil, which even now is cheaper than the native cocoanut oil, has been reduced to that point which, in our opinion, will cause the greatest importation and the largest revenue.

The duty on coal has been reduced 50 per cent.

On crude petroleum, which, owing to the great and still advancing price of coal, must soon come into use as a fuel, has been reduced to almost a nominal rate.

Building materials of every description and all industrial machinery bear but little burden.

The scheme of duties on jewelry and mounted precious stones we believe will quite fairly adjust specific duties according to values. The income resulting therefrom we believe will be very greatly increased. The tariff on watches is so regulated as to very greatly reduce the present prices of the lower grades. The present tariff taxes all gold watches at $3.25, and all other at $1.34.

Under the new bill the cheapest watch unjeweled is charged 25 cents, and the cheapest jeweled watch in a silver case will pay 50 cents. The market, therefore, among this jewelry-loving people is enormously broadened, and a great increase of revenue must necessarily result.

Dressed leather, boots and shoes, hard rubber goods and waterproof stuffs are very moderately taxed.

In tissues of cotton and linen the heavily weighted goods are greatly reduced. The earths and sizing introduced therein by some manufacturers to make weight and to give a deceptive finish must be removed by washing and drying before assessing the duty.

Silks have been raised about 50 per cent.

All food products and canned goods have been largely reduced.

The duty on wheat flour reduced to $\$1.11\frac{4}{1}$ will hasten its already increasing adoption throughout the islands, with benefit to the revenue.

In exports the tax on abaca has been doubled, and as it is not capable of production elsewhere, the revenues therefrom will be doubled without being burdensome here.

On copra also increased demand and rising prices justify the opinion that a similar increase of 100 per cent in the duties will yield a similar result without appreciably affecting the producer or burdening his power of competition.

What revenue will result from the tariff as a whole is necessarily a matter of speculation.

In our judgment, while the importation of articles with reduced duties will cease until the lower duty becomes operative, on the other hand large importations will be made of the more highly taxed articles which will quite offset the temporary cessation of import.

When the act gets into operation and business settles down to an assured tariff, our confident expectation is that a revenue considerably in excess of the present will result, with the burden more equitably distributed, and a greater demand will arise in low-taxed articles which will much more than offset any temporary loss of duty.

A duplicate of this communication with copy of bill will be forwarded by the next mail to guard against accidental loss.

It should be understood that the copies forwarded, except for necessary verification of the index, are prepared for printing. The footnotes incorporated therein do not appear in the act as thus far passed by the commission. If the printing can consistently be done at Washington, some weeks can be saved, as facilities here are quite inadequate to rapid or accurate work.

In case of publication in the United States, special attention ought to be called to the new meaning of net weight as used in this bill. Except in the case of certain cotton yarns, *net weight* signifies the actual weight of the imported merchandise without any packing, package, or container whatever. The duty on pins, for instance, is

levied upon the actual weight of the metal therein, without the paper which contains them or to which they are affixed.

In the consideration of the rates of duty this new signification must be constantly kept in mind, the difference in dutiable weight being very material in some importations, as, for instance, in goods contained in stone, glass, or metal.

We respectfully request that after you shall have amended the bill and put it in final form you will have the same printed and will send to us 4,000 printed copies of the same for use here.

Very repectfully,

WM. H. TAFT, *President.*

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

CONTENTS.

		Page.
Section 1.	Short title of act	9
2.	Import duties imposed	9
3.	Export duties imposed	9
4.	General rules	9
	Customs treatment of tissues:	
	Rule 1. Number of threads and its ascertainment	9
	2. Classification of certain tissues of cotton, linen, hemp, etc	10
	Customs treatment of mixed tissues:	
	3. Admixture of two materials	10
	4. Admixture of more than two materials	11
	5. Silk tissues	12
	Exceptions:	
	6. Knitted and netted stuffs	12
	7. Ribbons	13
	8. Trimmings	13
	Surtaxes:	
	9. Establishment of surtaxes	13
	10. Brochés	13
	11. Embroidery	14
	12. Metallic threads	14
	13. Made-up articles	14
	Rules applicable to goods not specially mentioned and to articles of several materials:	
	14. Articles not enumerated	14
	15. Composed of two or more materials	14
	16. In doubtful cases	15
	17. Mixture of materials to evade duty	15
	Regulations respecting packing, packages, and receptacles:	
	18. Packages, packing, and receptacles, when dutiable	15
	19. When package or packing is liable to higher duty than contents	15
	20. Packages, etc., containing goods dutiable on gross weight	15
	21. Packages, etc., containing goods dutiable on net weight	15
	22. Packages, etc., containing goods dutiable on gross weight liable to different rates of duty	15
	23. Packages, etc., containing goods dutiable on gross and net weight	16
	24 Regulations for ascertainment of net weight	16
5.	Prohibited importations	16
6.	Abbreviations used in the tariff	16
7.	Moneys to be received in payment of duties	16

			Page.
Section	8.	Metrical system of weights and measures	17
	9.	Importations from the United States	17
	10.	Import rates of duty	17
Class	I.	Stones, earths, ores, and ceramic products	17
	II.	Metals, and manufactures in which a metal enters as a principal element	20
	III.	Substances employed in pharmacy and products composed of these substances	24
	IV.	Cotton and its manufactures	26
	V.	Hemp, flax, aloe, jute, and other vegetable fibers and their manufactures	29
	VI.	Wools, bristles, hair, horsehair, and their manufactures	32
	VII.	Silk and its manufactures	34
	VIII.	Paper and its applications	35
	IX.	Wood and other vegetable materials employed in industry, and articles manufactured therefrom	37
	X.	Animals and animal wastes employed in industry	38
	XI.	Instruments, machinery, and apparatus employed in music, agriculture, industry, and locomotion	39
	XII.	Alimentary substances	42
	XIII.	Miscellaneous	45
11.		Free list	48
12.		Rates of export duties	49
13.		Tonnage dues	49
14.		Exemptions from tonnage dues	50
15.		Wharf charges on exports	50
16.		Wharf charges on imports transshipped	50
17.		Exemptions from wharf charges	50
18.		Reimportation of insular products	50
19.		Reimportation of insular products	50
20.		Repertory and index	51–53
21.		Repealing clause	109
22.		Tariff law takes effect	109

AN ACT TO PROVIDE A REVENUE FROM DUTIES ON THE IMPORTS AND EXPORTS OF THE PHILIPPINE ISLANDS AND FROM TONNAGE DUTIES AND WHARF CHARGES.

By the authority of the President of the United States, be it enacted by the United States Philippine Commission, That

SECTION 1. This Act shall be known and referred to as the Tariff Law of 1901.

SEC. 2. Duties shall be collected on all articles, goods, and merchandise imported into the Philippine Islands at the rates hereinafter provided, except when expressly exempted from duty by this Act.

SEC. 3. Duties shall be collected at the rates hereinafter provided on such articles, goods, and merchandise exported from the Philippine Islands as are hereinafter specifically prescribed in this Act.

SEC. 4. The following rules and regulations shall be observed in the construction and enforcement of the various provisions of this Act.

GENERAL RULES.

CUSTOMS TREATMENT OF TISSUES.

RULE 1. *Number of threads and its ascertainment.*—By the number of threads in a tissue shall, unless otherwise stipulated, be meant the totality of all the threads comprised in the warp and weft in a square of six millimeters. The warp of tissues is to be considered as the totality of the threads which lie longitudinally, whether they form the foundation of the same, or whether they have been added in order to form patterns or give the stuff more body. The weft shall be considered the totality of the threads which cross the warp of the tissue, and combine the same conditions of helping to form patterns or to add to the body of the stuff. In order to determine for customs treatment of tissues, the number of threads and the proportion in which the threads subject to the highest duty are found in the tissue, the instrument known as the "thread counter" shall be employed.

Should there be a doubt as to the ascertainment of the number of threads in a tissue, owing to the tissue being more closely woven in some parts than in others, the most closely woven part and the most loosely woven part shall be taken, and the average number of threads resulting from the two shall serve as a basis for levying duty.

When the nature of the tissue permits it, the thread shall always be counted on the obverse side of the stuff.

In all woolly or melton-like tissues, and generally in all tissues in which the threads have become indistinct by carding or fulling, the threads shall be counted on the reverse side of the stuff by rasping or burning the hair when necessary.

In exceptional cases, where after these operations the ascertainment of the number of threads remains doubtful, a sufficient part of the tissue shall be unraveled.

Should this likewise be impossible, as, for instance, in case of ready-made articles, the tissue shall be subject to the highest duty of the group to which it belongs, and should the tissue be mixed, it shall be dutiable according to the class in which the most highly taxed material entering into the mixture is comprised.

RULE 2. *Classification of certain tissues of cotton, linen, hemp, etc.*—When the dutiable rate of tissues included in Class IV or Class V is dependent upon the weight of one hundred square meters thereof, the weight of such tissues for the purpose of classification must be ascertained from tests of proper samples thereof, after such samples have been washed and dried.

The classification having been fixed by the samples so treated, duties must be levied and collected in accordance therewith on the full weight of such tissues so imported.

CUSTOM TREATMENT OF MIXED TISSUES.

RULE 3. *Admixtures of two materials.*—Tissues of all kinds, composed of two materials, shall be dutiable as follows:

(*a*) Cotton tissues containing threads of hemp, jute, linen, ramie, or other vegetable fiber shall be dutiable according to the corresponding numbers of group 3, Class IV, with the surtaxes established in each case,[1] provided the number of these threads of hemp, jute, linen, ramie, or other vegetable fibers, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of hemp, jute, linen, ramie or other vegetable fiber exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class V.

(*b*) Cotton tissues containing threads of wool, flock wool, hair, or wastes of these materials shall be dutiable according to the corresponding numbers of group 3, Class IV, with the surtaxes established in each case,[1] provided that the number of threads of wool, flock wool, hair, or their wastes, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of wool, flock wool, hair, or their wastes

[1] Class IV, group 3, Rule A.

exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VI, as tissues mixed with wool.

(*c*) Cotton tissues containing threads of silk or floss silk shall be dutiable according to the corresponding numbers of group 3, Class IV, with the surtaxes established in each case,[1] provided that the number of silk or floss-silk threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of silk or floss silk exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.[1]

(*d*) Tissues of hemp, jute, linen, ramie, or other vegetable fibers, containing threads of wool, flock wool, hair, or their wastes shall be dutiable according to the corresponding numbers of group 2, Class V, with the surtaxes established in each case,[2] provided that the number of these threads of wool, flock wool, hair, or their wastes, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of wool, flock wool hair, or their wastes exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of group 2, Class VI, as tissues mixed with wool.[2]

(*e*) Tissues of hemp, jute, linen, ramie, or other vegetable fibers containing threads of silk or floss silk shall be dutiable according to the corresponding numbers of group 2, Class V, with the surtaxes established in each case,[3] provided that the number of these threads of silk or floss silk, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

(*f*) Tissues of wool, flock wool, or hair, containing threads of silk, or floss silk, shall be dutiable according to the corresponding numbers of group 2, Class VI, with the surtaxes established in each case,[2] provided that the number of silk or floss-silk threads does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

RULE 4. *Admixtures of more than two materials.*—Tissues composed of more than two materials shall be dutiable as follows:

(*a*) Tissues containing an admixture of wool and cotton, or of wool and other vegetable fibers and, at the same time, threads of silk or of

---

[1] Class IV, group 3, Rule A. [2] Class V, group 2, Rule A.
[3] Class VI, group 2, Rule A.

floss silk, shall be subject to the corresponding duties of Class VI, as mixed woolen tissues, whatever be the proportion of the threads of vegetable fibers, and shall in addition be liable to the surtax leviable on the silk or floss-silk threads; provided that the number of these threads counted in the warp and weft does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

(*b*) Tissues containing an admixture of cotton and other vegetable fibers and at the same time threads of silk or floss silk, shall be subject to the corresponding duties of Class V, and assimilated to tissues of jute, hemp, etc., whatever be the proportion of the cotton threads; they shall, in addition, be liable to the surtax leviable on the silk or floss-silk threads, provided that the number of these threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

(*c*) Tissues of an admixture of wool, cotton, and other vegetable fibers, containing no silk threads, shall be subject to the corresponding duties of Class V, and shall, in addition, be liable to the surtax leviable on woolen threads, provided that the number of these threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of woolen threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VI, as mixed woolen tissues.

RULE 5. *Silk tissues.*—All tissues containing silk or floss-silk threads the number of which, counted in warp and weft, exceeds one-fifth without being more than one-half of the total number of threads composing the tissue, shall be considered as tissues mixed with silk.

When the number of silk or floss silk threads, counted in warp and weft, exceeds one-half of the total, the tissues shall be considered and dutiable as pure silk.

EXCEPTIONS.

For knitted stuffs, tulles, lace, blondes, tulles for borders and ribbons, composed of an admixture, exception to the preceding rules shall be made in the following cases:

RULE 6. *Knitted and netted stuffs.*—All kinds of knitted stuffs and tulles, lace, blondes, and tulles of all kinds for borders, when mixed, shall be dutiable according to the corresponding numbers of the class comprising the threads of the material most highly taxed, whatever be the proportion of such threads in the tissue.

Knitted stuffs, lace, blondes, and tulles for borders, comprised in Class VII, shall be considered as tissues mixed with silk when they contain threads of cotton or other vegetable fibers, or of wool or flock wool, whatever be the proportion of such threads in the mixture.

Tulles less than 15 centimeters in width shall be considered as tulles for borders.

RULE 7. *Ribbons.*—Ribbons and galloons mixed with cotton and other vegetable fibers or with vegetable fibers and wool, containing no silk, shall be subject to the corresponding duties of the class comprising the threads most highly taxed.

Ribbons or galloons containing silk, in whatever proportion, shall be dutiable as tissues according to the corresponding numbers of Class VII. When not exceeding 15 centimeters in width, they shall be considered as mixed silks tissues, provided that they contain in any proportion threads of cotton or other vegetable fibers or of wool or flock wool.

RULE 8. *Trimmings.*—Trimmings shall be dutiable on the total weight, as if exclusively composed of the apparent or visible textile material.

Trimmings composed on their apparent or visible part of various textile materials shall be subject to the corresponding duties of the class comprising the material most highly taxed. When the predominating component material consists of metallic threads of any kind, the trimmings shall be dutiable according to Class VII plus the surtax leviable on the metal.

Trimmings are distinguished from ribbons and galloons by the latter being real tissues, with warp and weft, while trimmings are plaited.

SURTAXES.

RULE 9. *Establishment of surtaxes.*—The surtaxes applicable, owing to *broché*, embroidery, metal, threads, or making up, shall always be computed on the duties leviable on the tissue by taking into account, if necessary, the increase of such duties in case of admixture.

For the collection of the total duty, the surtaxes applicable for either of the above-mentioned reasons shall, when necessary, be added together.

RULE 10. *Brochés.*—Tissues, *broché* or woven like brocades with silk or floss silk, shall be liable to the duties leviable thereon plus the surtaxes established in every case.[1]

Brochés or brocaded tissues are all tissues with flowers or other ornaments applied by means of a shuttle in such manner that the threads do not occupy the entire width of the stuff, but only the space comprising the flower or pattern.

[1] Class IV, group 3, Rule B, letter (*a*), and Classes V and VI, group 2, Rule B, letter (*a*).

RULE 11. *Embroidery.*—Tissue sembroidered by hand or machine after weaving or with application of trimmings shall be liable to the duties leviable thereon plus the surtaxes established in every case,[1] by taking into account whether the embroidery contains metallic threads or not.

Embroidery is distinguished from patterns woven in the tissue, as the latter are destroyed by unraveling the weft of the tissue, while embroidery is independent of the warp and weft and can not be unraveled.

RULE 12. *Metallic threads.*—Tissues and trimmings containing metallic threads, in whatever proportion, shall be liable to the duties leviable thereon, plus the surtaxes established in every case.[2]

Tissues exclusively composed of metallic threads shall be dutiable according to Class VII, plus the surtax leviable on the metal.

RULE 13. *Made-up articles.*—Tissues manufactured into articles of all kinds shall be liable to the duties leviable thereon, plus the surtaxes established in every case.[3]

Ready-made clothing, wearing apparel of all kinds and of any style, and, generally, all articles made up by the seamstress or tailor, shall, for their total weight, be liable to duties leviable on the principal component tissue on their most visible exterior part.

For the application of the corresponding surtaxes, clothing and articles, half finished or basted, shall be considered as made-up articles and clothing.

RULES APPLICABLE TO GOODS NOT SPECIALLY MENTIONED AND TO ARTICLES COMPOSED OF SEVERAL MATERIALS.

RULE 14. Articles not enumerated in the tariff shall, for the application of duty, be assimilated to those which they most closely resemble, and shall in the first instance be so classified by the collector of the port of entry into which the articles are brought.

When an article presented for customs clearance is not mentioned in a number of the tariff or in the repertory, and when doubts arise as to its assimilation to articles specified in the tariff, the interested party or the importer may request the collector at the port of entry to indicate the number according to which such article is dutiable.

In such case, the clearance shall be effected according to the number so indicated.

RULE 15. Articles which, by reason of their nature or their applica-

[1] Class IV, group 3, Rule B, letter (*b*); Classes V and VI, group 2, Rule B, letter (*b*); Class VII, group 2, Rule B, letter (*a*).

[2] Class IV, group 3, Rule B, letter (*c*); Classes V and VI, group 2, Rule B, letter (*c*); Class VII, group 2, Rule B, letter (*b*).

[3] Class IV, group 3, Rule B, letter (*d*); Classes V and VI, group 2, Rule B, letter (*d*); Class VII, group 2, Rule B, letter (*c*).

tion, are composed of two or more materials or of different parts, as, for instance, the handle of an implement and the implement itself; the glass and frame of a mirror, shall, for the total weight, be taxed according to the material chiefly determining the value of the article.

RULE 16. In case of doubt as to which is the material chiefly determining the value of an article, such article shall be dutiable according to the most highly taxed component material.

RULE 17. When the mixture of the different materials has been made with intent to evade the payment of the duties of any specified number of the tariff, the duties leviable on the article subject to the highest duty shall always be collected.

REGULATIONS TO BE APPLIED TO LEVYING DUTY ON PACKING, PACKAGES, AND RECEPTACLES.

RULE 18. Common packing, packages, receptacles and coverings of imported merchandise in use and imported with such merchandise, unless otherwise expressly provided for, shall be admitted free of duty; provided, however, that if it shall appear that any articles or materials used as such packing, packages, receptacles or coverings are in fact imported as merchandise, and as such have an appreciable value, full duty shall be collected on said articles or materials so imported according to their proper numbers.

EXCEPTIONS TO THE FOREGOING RULE.

Tuns, pipes, hogsheads, casks, barrels and other similar wooden immediate receptacles of distilled spirits, wine, beer or other liquid, or of merchandise contained in brine or other liquid, are dutiable under the stipulations of Tariff number 379, unless the contained merchandise is dutiable on gross weight.

RULE 19. Packages and receptacles liable to higher duties than those established for their contents shall always be dutiable according to the number of the tariff to which they belong.

RULE 20. In all cases in which dutiable merchandise shall by its tariff number be dutiable upon the gross weight, the dutiable weight of such merchandise shall include the weight of all covers, receptacles, packages and packing of every description, whether exterior, interior, or immediate, without any allowance for tare.

RULE 21. In all cases in which dutiable merchandise shall by its tariff number be dutiable, upon net weight, the dutiable weight of such merchandise shall not include the weight of any cover, receptacle, package, or packing of any description.

RULE 22. When the same package contains two or more articles dutiable on gross weight and paying different rates of duty, the articles most highly taxed shall be dutiable together with all its separate packing and with the weight of all exterior packages. The other articles shall be dutiable separately.

RULE 23. When the same package contains articles dutiable on gross weight and articles dutiable on net weight, the articles dutiable on gross weight, shall be dutiable together with their separate packing and weight of all exterior packages and packing.

RULE 24. Where merchandise, dutiable upon its quantity or upon its net weight, is customarily contained in packing, packages or receptacles of uniform or similar character, it shall be the duty of the Collector of the Islands from time to time to ascertain by tests the actual weight or quantity of such merchandise and the actual weight of the packages, packing or receptacles thereof, respectively, in which such merchandise is customarily imported, and, upon such ascertainment to prescribe regulations for estimating the dutiable weight or quantity of such merchandise, and thereafter such merchandise imported in such customary packing, packages and receptacles shall be entered, and the duties thereon levied and collected, upon the basis of such estimated dutiable weight or quantity.

PROHIBITED IMPORTATIONS.

SEC. 5. The importation of the following articles is prohibited:

(1) Dynamite, gunpowder, and similar explosives, unless the importer shall produce a special authorization for landing issued to him by the military governor.

(2) Books, pamphlets, or other printed matter, paintings or illustrations, figures, or other objects, of an obscene or indecent character.

(3) Artificial wine (other than medicinal wines of known composition) and adulterated wines.

(4) Any article which shall copy or simulate the name or trademark, label or form of package of any manufacture or manufacturer, plainly calculated to deceive the public as to the real origin or source of the article.

(5) Any article whose country of origin is falsely represented by means of any print, stamp, label, or other device, or false token thereon or connected therewith.

(6) Roulette wheels, gambling layouts, dealing boxes and all other machines, apparatus or mechanical devices used in gambling, or used in the distribution of money, cigars or other articles, when such distribution is dependent upon lot or chance.

SEC. 6. The following abbreviations shall be employed in the tariff:

G. W. = gross weight.	Kilo. = kilogram.
N. W. = net weight.	Kilos. = kilograms.
Hectog. = hectogram.	Hectol. = hectoliter.

SEC. 7. Duties shall be paid in United States money.

The following coins now in circulation in the Philippine Islands shall be received for customs at the following fixed rates in money of the

United States: Peso, fifty cents; Medio Peso, twenty-five cents; Peseta, ten cents; Media Peseta, five cents.

SEC. 8. The metrical system of weights and measures as authorized by sections 3569 and 2570 of the Revised Statutes of the United States, and at present in use in the Philippine Islands, shall be continued.

The meter is equal to 39.37 inches.
The liter is equal to 1.0567 quarts, wine measure.
The kilogram is equal to 2.2046 pounds avoirdupois.

SEC. 9. Importations from the United States are dutiable under the provisions of this act, but no customs duties shall be imposed on articles, goods or merchandise transported only from one place or port to another place or port in the Philippine Islands.

SEC. 10. The rates of duties to be collected on articles, goods and merchandise imported into the Philippine Islands shall be as follows:

CLASS I.—*Stones, earths, ore, glass and ceramic products.*

GROUP 1.—STONES AND EARTHS EMPLOYED IN BUILDING, ARTS AND MANUFACTURES.

1. Marble, jasper, alabaster and similar fine stones:			
(*a*) In the rough, or in dressed pieces squared or prepared for shaping, G. W	100 kilos..	$0.25	
(*b*) Slabs, plates or steps of any dimension, polished or not, G. W., 100 kilos		1.00	
Marble affixed to furniture shall be liable to the same duty as the furniture.			
(*c*) Sculptures, high and bas-reliefs, vases, urns and similar articles for house decoration, G. W	100 kilos..	3.50	
(*d*) Wrought or chiseled into all other articles, polished or not, G. W., 100 kilos		2.00	
2. Stones, other, natural or artificial:			
(*a*) In the rough, unwrought, in rough blocks or cubes, G. W	100 kilos..	.04	
(*b*) Slabs, plates or steps, G. W	100 kilos..	.50	
(*c*) Millstones and grindstones, G. W	100 kilos..	.25	
(*d*) Wrought into all other articles, N. W	100 kilos..	1.00	
3. Earths employed in manufactures and arts:			
(*a*) Lime, gypsum, chalk or cement, G. W	100 kilos..	.04	
(*b*) Other, G. W	100 kilos..	.20	
4. Gypsum manufactured into articles:			
(*a*) Statuettes, N. W	100 kilos..	3.00	
(*b*) Other articles, N. W	100 kilos..	.75	
5. Chalk manufactured into articles:			
Such as billiard chalk, red chalk, French and tailors' chalk, N. W	kilo..	.03	

GROUP 2.—COAL.

6. Coal and coke, G. W	1,000 kilos..	.25	
Coal and coke shall be cleared in conformity to the weight indicated in the certificate issued to the master of the vessel at the port of shipment, proving the quantity received on board according to the charter party and the bills of lading.			

GROUP 3.—SCHISTS, BITUMENS AND THEIR DERIVATIVES.

Whenever doubt arises as to the classification of the products enumerated in Nos. 7, 8 and 10, before the collection of the duty the matter shall be referred for decision to the Collector of the Islands.

In case of doubt as to the clearance of crude petroleum, the following rules shall be observed:

1. A sample of 200 cubic centimeters shall be taken from each 50 cases or less comprised in the declaration and belonging to the same kind of goods. If the oil is imported in bulk or in tanks, samples of equal quantities shall be taken from each receptacle in which the oil is contained, sufficient to make more than two liters in all after mixing.

2. These samples shall be thoroughly mixed in a large receptacle, and when the discharge of the shipment is terminated, 2 liters are taken therefrom and put into separate bottles, which are sealed and furnished with labels signed by the customs employees and the interested party. These bottles shall be forwarded to the customs chemical expert in order to be assayed.

3. Immediately after this operation the goods shall be cleared and the corresponding duty applied, but the interested party shall always be bound by the results of the analysis, and the clearance shall not be deemed definite until that result be known.

4. The samples must be assayed within one month, and the interested party has the right to be present when the samples are opened and analyzed, provided that he has made a written request to this effect at the time of identifying the samples by affixing his signature to the labels. He may also appeal to the Collector of the Islands from the report of the experts.

5. Should the interested party in his appeal request that a new analysis be made, this operation shall be effected at his expense if the report of the experts be sustained. In contrary cases the expense shall be borne by the Government.

6. The following shall be considered:

(*a*) As crude oil derived from schists, those obtained from first distillation, distinguished by their density of from 900 to 920 thousandths of a degree, or from 66 to 57½ of a centesimal areometer, equal to from 24 degrees and 69 hundredths to 21 degrees and 48 hundredths Cartier.

(*b*) As crude and natural petroleum, that imported in the state in which found when extracted from the well, and which had undergone no operation whatever, whereby the natural chemical composition is altered or modified. When gradually and continuously distilled up to a temperature of 300° C., this petroleum must leave a residuum exceeding 20 per cent of its primitive weight.

7. Tar and mineral pitch, bitumens, schists, unrefined creosote, asphalt and also asphalt paving blocks, G. W.....100 kilos.. $0.10

The customs authorities must take care that under the denomination of tar, or mixtures containing tar, no oils derived from schists are imported. Tar must not contain in appreciable proportions volatile products or oils which might be extracted by means of distillation at 300° Centigrade. Though imported under the name of asphalts, or bitumens, impure paraffin or other products must be included in No. 102 of Class III.

8. Crude oils derived from schists, including crude petroleum and axle grease for cars and carts, G. W.....100 kilos.. .10

Crude mineral oils mixed with crude animal oils, as well as crude mineral oils mixed with crude vegetable oils when these oils are exclusively destined to lubricating machinery, are likewise dutiable according to this number.

9. Petroleum and other mineral oils, rectified or refined, intended for illumination or lubrication, N. W.....100 kilos.. $1.25
10. Benzine, gasoline, and mineral oils not specially mentioned, including vaseline, G. W .....100 kilos.. 2.00

All mineral oils not having the properties described in paragraph (*a*) of Rule 6 of the rules for this group shall be considered as refined.

GROUP 4.—ORES.

11. Ores other than gold and silver, G. W.....1,000 kilos.. .25

GROUP 5.—CRYSTAL AND GLASS.

12. Common or ordinary hollow glassware and electrical insulators, N. W. 100 kilos..... 1.00
13. Crystal, and glass imitating crystal:
    (*a*) Articles cut, N. W.....100 kilos.. 20.00
    (*b*) Articles engraved or gilt, N. W.....100 kilos.. 15.00
    (*c*) Lamp chimneys, plain or ground, not decorated, per 100 chimneys..... .50
    (*d*) Other articles, N. W .....100 kilos.. 7.00

    Decanters, glasses, tumblers, candlesticks, pillar lamps and other articles of table service and lighting, white or colored, are included in this number.
14. Plate glass or plate crystal:
    (*a*) Slabs for paving or roofing, N. W.....100 kilos.. 1.65
    (*b*) For windows or in other articles, provided that they are neither polished, beveled, engraved nor annealed, N. W....100 kilos.. 2.20
    (*c*) Window glass set in lead and polished, or beveled plate glass, N. W., 100 kilos 4.50
    (*d*) Articles engraved or annealed, N. W 10.00
15. Glass and crystal, tinned, silvered or coated with other metals:
    (*a*) Common mirrors, not exceeding 2 m. m. in thickness, coated with red or black mercurial varnish, N. W .....kilo.. .06
    (*b*) Other mirrors, not beveled, N. W.....kilo.. .10
    (*c*) Beveled mirrors, N. W .....kilo.. .18
16. Glass and crystal in other articles:
    (*a*) In statuettes, flower stands, vases and similar articles for toilet purposes or house decoration, N. W .....kilo.. .25
    (*b*) Spectacles and watch glasses; enamel, N. W .....kilo.. 2.50
    (*c*) Incandescent electric lamps, mounted or not.....per hundred.. 2.00
    (*d*) Separate and spare parts forming an integral portion of lamps, chandeliers or bracket lamps, N. W .....100 kilos.. 10.00

GROUP 6.—POTTERY, EARTHENWARE AND PORCELAIN.

17. Common clay:
    (*a*) In common bricks, fire bricks and squares, unglazed, for building and industrial purposes, G. W .....1,000 kilos.. .30
    (*b*) Impressed, vitrified or glazed bricks or squares, G. W.1,000 kilos.. .60
    (*c*) In tubes or pipes, not varnished, vitrified or glazed, for building or drainage purposes, G. W .....100 kilos.. .10
    (*d*) In tubes or pipes, varnished, glazed or vitrified, for industrial or drainage purposes, G. W .....100 kilos.. .20
18. Ceramic tiles:
    (*a*) Varnished, vitrified, or not, plain and undecorated, N. W.100 kilos.. .40
    (*b*) The same, glazed, ornamented or decorated, N. W .....100 kilos.. 1.50

19.	Hollow ware, glazed or not, of clay or stoneware:		
	(*a*) Household or kitchen utensils, except dishes or tableware, not gilt, painted or ornamented in relief, N. W	100 kilos..	$0.80
	(*b*) Dishes, tableware, or other articles, not gilt, painted or ornamented in relief, N. W	100 kilos..	2.00
	(*c*) Flowerpots of common earthenware and common bottles of the same, N. W	100 kilos..	1.00
	(*d*) Articles, gilt, painted, or ornamented in relief, N. W	100 kilos..	5.50
20.	Faience, in dishes or hollow ware:		
	(*a*) Neither painted, gilt, nor ornamented in relief, N. W	100 kilos..	3.50
	(*b*) Gilt, painted, or with ornaments in relief, N. W	100 kilos..	7.50
21.	Porcelain, in dishes or hollow ware:		
	(*a*) Neither painted, gilt, nor in relief, N. W	100 kilos..	7.00
	(*b*) Painted, gilt, or with ornaments in relief, N. W	100 kilos..	12.00
	Saxony, Sèvres and similar fine porcelain shall be dutiable under this number with a surtax of 75 per cent.		
22.	Porcelain, plain, in door knobs, electric insulator and similar articles not decorated, not otherwise provided for, N. W	100 kilos..	5.00
23.	Statuettes, flower stand vases, high and bas reliefs, articles for toilet purposes and house decoration, all of said articles of fine clay, faience, stoneware, porcelain or bisque, N. W	kilo..	.25

GROUP 7.—PRECIOUS STONES, PEARLS AND IMITATIONS OF THE SAME, UNSET.

24.	Precious stones and doublets, unset:		
	(*a*) Diamonds, emeralds, sapphires and rubies, N. W	karat..	1.00
	(*b*) Other precious stones, N. W	karat..	.30
	(*c*) Doublets composed of precious stones and other material, N. W., karat		.12
25.	Pearls and seed pearls:		
	(*a*) Pearls, N. W	karat..	.40
	(*b*) Seed pearls, N. W	karat..	.10
26.	Imitations of precious stones and of pearls, N. W	hectog..	.05

CLASS II.—*Metals and all manufactures in which a metal enters as a principal element.*

GROUP 1.—GOLD, SILVER AND PLATINUM, AND ALLOYS OF THESE METALS, AND GOLD AND SILVER PLATE.

27.	Gold and platinum or alloys thereof:		
	(*a*) In jewelry, plate and goldsmiths' wares, not otherwise provided for, N. W	hectog..	12.50
	(*b*) Same set with pearls or precious stones, not otherwise provided for, N. W	hectog..	25.00
	(*c*) Same set with doublets, imitation precious stones or imitation pearls, N. W	hectog..	17.50
	(*d*) Same manufactured into articles other than jewelry or plate, except as otherwise specially provided, N. W	hectog..	3.00
28.	Silver:		
	(*a*) In jewelry or plate and silvermiths' wares, not set with pearls or precious stones, N. W	hectog..	3.00
	(*b*) In same set with pearls or precious stones, N. W	hectog..	15.50
	(*c*) In same set with doublets, imitation precious stones, or imitation pearls, N. W	hectog..	8.00
	(*d*) Silver manufactured into articles other than jewelry or plate, N. W	hectog..	.80

29. Gold and silver plated wares:
(*a*) Gold and silver plated jewelry, N. W .....kilo.. $2.40
(*b*) Gold and silver plated wares other than jewelry, N. W.....kilo.. 2.00

GROUP 2.—CAST IRON.

Articles of malleable cast iron are dutiable as manufactures of wrought iron.

30. Pigs, G. W .....100 kilos.. .10
31. Articles not coated or ornamented with another metal or porcelain, neither polished nor turned:
(*a*) Bars, beams, plates, grates for furnaces, columns and pipes, G. W. 100 kilos..... .35
(*b*) Lubricating boxes for railway trucks and carriages, and railway chairs, G. W.....100 kilos.. .30
(*c*) Articles, other, not elsewhere mentioned, G. W .....100 kilos.. .75
32. Articles of all kinds not coated or ornamented with another metal or porcelain, either polished or turned, N. W .....100 kilos.. 1.20
33. Articles of all kinds, enameled, gilt, tinned or coated, or ornamented with other metals or porcelain, N. W.....100 kilos.. 2.00

GROUP 3.—WROUGHT IRON AND STEEL.

34. Iron, soft or wrought, in ingots or "tochos," steel in ingots, G. W., 100 kilos ..... .24
35. Wrought iron or steel, rolled:
(*a*) Rails, G. W.....100 kilos.. .30
(*b*) Bars of all kinds (excepting fine crucible steel), including rods, tires, hoops and beams, G. W .....100 kilos.. .60
The rods in question are iron or steel rods exceeding 8 millimeters in thickness employed in the manufacture of iron wire.
(*c*) Bar of all kinds of crucible steel, G. W.....100 kilos.. 1.05
Crucible steel is distinguishable from bar and other pieces of iron or common steel by its sharp edges. The surface is very smooth, of a bluish color darker than that of iron, and its fracture is close grained. (This steel is generally imported in round, triangular, square, octagonal, or flat bars.)
36. Wrought iron and steel sheets, rolled:
(*a*) Neither polished nor tinned, of 3 millimeters and more in thickness, G. W .....100 kilos.. .75
(*b*) Neither polished nor tinned, of less than 3 millimeters in thickness, and hoop iron, G. W .....100 kilos.. .80
By hoop iron (fleges) shall be understood unpolished, flat bands or circles less than 3 mm. in thickness.
(*c*) Tinned and tin plate, G. W .....100 kilos.. 1.00
(*d*) Polished, corrugated, perforated, cold rolled, galvanized, or not, and bands of polished hoop iron, G. W.....100 kilos.. .90
37. Wrought iron or steel:
Cast in pieces in the rough, neither polished, turned, nor adjusted, weighing each—
(*a*) 25 kilos or more, G. W.....100 kilos.. .75
(*b*) Less than 25 kilos, G. W .....100 kilos.. 1.00
38. Wrought iron or steel cast in pieces, finished:
(*a*) Wheels weighing more than 100 kilograms, fish-plates, chairs, sleepers, and straight axles; springs for railways and tramways; lubricating boxes, G. W.....100 kilos.. .45
(*b*) Wheels weighing 100 kilograms or less; springs other than for railways and tramways; bent axles and cranks, G. W., 100 kilos..... 1.05

39. Wrought iron or steel pipes:			
(*a*) Covered with sheet brass, G. W	100 kilos..		$1.40
(*b*) Other, galvanized or not, G. W	100 kilos..		1.05
40. Wrought iron or steel wire, galvanized or not:			
(*a*) 2 mm. or more in diameter, N. W	100 kilos..		.75
(*b*) More than half and less than 2 mm. in diameter, N. W	100 kilos..		1.00
(*c*) ½ mm. or less in diameter and wire covered with any kind of tissue, N. W	100 kilos..		1.40
41. Wrought iron or steel in large pieces, composed of bars or bars and sheets fastened by means of rivets or screws; the same, unriveted, perforated, or cut to measure for bridges, frames and other buildings, G. W	100 kilos..		1.00
42. Anchors, chains for vessels or machines, moorings, switches and signal disks, G. W	100 kilos..		.50
43. Anvils, G. W	100 kilos..		1.75
44. Wire gauze:			
(*a*) Up to 40 threads per square inch, N. W	100 kilos..		1.75
(*b*) Of 40 threads or more per square inch, N. W	kilo..		.04
45. Cables, fencing (barbed wire), netting; furniture springs, N. W	100 kilos..		.75
46. Tools and implements, not apparatus, of wrought iron or steel:			
(*a*) Fine, for arts, trades and professions, of crucible steel, N. W., 100 kilos			5.00
(*b*) Other, N. W	100 kilos..		1.50
47. Screws, nuts, bolts, washers, and rivets, N. W	100 kilos..		2.00
48. Nails, clasp nails, tacks and brads, N. W	100 kilos..		1.00
49. Saddlery hardware:			
(*a*) Common, made of iron or steel, common bits, spurs, and all finishes of common harness, not nickeled or covered with other metals or materials, N. W	100 kilos..		3.00
(*b*) The same ornamented, nickeled or covered with other materials, N. W	100 kilos..		6.00
50. Buckles:			
(*a*) Gilt, silvered or nickeled, N. W	kilo..		.20
(*b*) Other, N. W	kilo..		.15
51. Needles, sewing or embroidering, pens, pieces of clock works, N. W	kilo..		.30
52. Common pins, hooks and eyes, N. W	kilo..		.30
53. Crochet hooks and the like, hairpins, hat pins, N. W	kilo..		.30
54. Cutlery:			
(*a*) With common wooden handles, such as used by butchers, shoemakers, saddlers and cooks, including table knives and forks with common wooden handles and unpolished or japanned scissors, N. W	kilo..		.15
(*b*) Surgical, including dental instruments, pocket cutlery, side arms (not fire), and pieces for same, razors, N. W	kilo..		.60
(*c*) All other cutlery, including other scissors, fishing hooks, N. W., kilo			.30
55. Small arms and barrels:			
(*a*) Barrels, unfinished, for portable arms, N. W	kilo..		.25
(*b*) Barrels, finished, for portable arms, N. W	kilo..		.60
(*c*) Small arms such as pistols and revolvers, also their detached parts, except barrels, N. W	kilos..		3.00
56. Sporting arms, breech and muzzle loading, and detached parts thereof, except barrels, N. W	kilo..		2.00
57. Manufactures of tin plate, N. W	100 kilos..		5.00
58. Wrought iron or steel in common articles of all kinds not specially mentioned, though coated with lead, tin, or zinc, or painted or varnished, N. W	100 kilos..		2.50

59. Wrought iron or steel in articles of all kinds not specially mentioned, fine, i. e., polished, enameled, coated with porcelain, nickel, or other metals (with the exception of lead, tin or zinc) or with ornaments, borders, or parts of other metals, or combined with glass or earthen ware, N. W., 100 kilos..... $4.00

GROUP 4.—COPPER AND ALLOYS OF COMMON METALS WITH COPPER (BRASS, BRONZE, ETC.).

60. Copper scales (*laminæ*) copper of first fusion, old copper, brass, etc., G. W.....100 kilos.. $1.50
61. Copper and alloys of copper; in ingots, G. W.....100 kilos.. 2.00
62. The same rolled in bars of all kinds, G. W.....100 kilos.. 2.25
63. The same rolled in sheets, G. W.....100 kilos.. 2.50
64. The same in wire, galvanized or not:
    (*a*) 1 m. m. or more in diameter, N. W.....100 kilos.. 4.00
    (*b*) Less than 1 m. m. in diameter, N. W.....100 kilos.. 5.00
    (*c*) Gilt, silvered or nickeled, N. W.....kilo.. .35
65. The same in wire, covered with tissues, not elsewhere provided for, or with insulating materials, cables for conducting electricity over public thoroughfares, N. W.....100 kilos.. 5.00
66. The same in wire gauze:
    (*a*) Up to 200 threads per inch, N. W.....kilo.. .04
    (*b*) Of 200 threads or more per inch, N. W.....kilo.. .10
67. The same in pipes, bearings, plates for fireplaces, and boiler-makers' wares, partially wrought, G. W.....kilos.. 3.25
68. The same in nails and tacks, crochet hooks, pins, pens and hairpins:
    (*a*) Nails and tacks, gilt, silvered or nickeled, N. W.....kilo.. .20
    (*b*) Nails and tacks, other, N. W.....kilo.. .05
    (*c*) Pins, pens, crochet hooks, hairpins, N. W.....kilo.. .30
69. Copper and alloys of copper:
    (*a*) In articles not specially mentioned, varnished or not, N. W.kilo.. .15
    (*b*) In articles gilt or nickeled, not specially mentioned, except when exclusively used for sanitary constructions, N. W.....kilo.. .50
    (*c*) In articles gilt or nickeled, when exclusively used for sanitary constructions, N. W.....kilo.. .20

GROUP 5.—OTHER METALS AND THEIR ALLOYS.

70. Mercury, G. W.....kilo.. .10
71. Nickel, aluminum, and their alloys:
    (*a*) In lumps or ingots, G. W.....100 kilos.. 2.00
    (*b*) In bars, sheets, pipes and wire, N. W.....100 kilos.. 4.00
    (*c*) In other articles of all kinds, N. W.....kilo.. .10
72. Tin and alloys thereof:
    (*a*) In lumps or ingots, G. W.....100 kilos.. 2.00
    (*b*) In bars, sheets, pipes and wire, N. W.....100 kilos.. 3.50
    (*c*) Hammered in thin leaves (tin foil) and capsules for bottles, N. W.....kilo.. .05
    (*d*) In other articles of all kinds, N. W.....kilo.. .50
73. Zinc, lead, and other metals, not specially mentioned, as well as their alloys:
    (*a*) In lumps or ingots, G. W.....100 kilos.. .50
    (*b*) In bars, sheets, pipes and wire, including shot, G. W..100 kilos.. .75
    (*c*) Articles gilt or nickeled, except when exclusively used for sanitary construction, N. W.....kilo.. .50
    (*d*) Articles gilt or nickeled, when used exclusively for sanitary construction, N. W.....kilo.. .20
    (*e*) Zinc nails and tacks, neither gilt nor nickeled, N. W.....kilo.. .06
    (*f*) In other articles, including type, N. W.....kilo.. .15

GROUP 6.—WASTES AND SCORIÆ.

74. Filings, shavings, cuttings of iron or steel, and other wastes of cast iron or from the manufacture of common metals, fit only for resmelting, G. W.....100 kilos.. $0.15
75. Scoriæ resulting from the smelting of ores, G. W .....100 kilos.. .03

CLASS III.—*Substances employed in pharmacy and chemical industries, and products composed of these substances.*

GROUP 1.—SIMPLE DRUGS.

76. Oleaginous seed, copra or cocoanuts, G. W.....100 kilos.. $0.30
77. Resins and gums:
    (*a*) Colophony, pitch (vegetable), and similar products, G. W., 100 kilos ..... .25
    (*b*) Spirits of turpentine, N. W.....100 kilos.. 1.75
    (*c*) Caoutchouc and gutta-percha, raw or melted in lumps, G. W., 100 kilos 3.00
78. Extracts of licorice, camphor, aloes, and other similar vegetable juices not elsewhere provided for, N. W.....100 kilos.. 5.00
79. Tan bark, G. W .....100 kilos.. .10
80. Opium:
    (*a*) Crude, N. W .....kilo.. 2.00
    (*b*) The same manufactured or prepared for smoking or other purposes, N. W .....kilo.. 2.50
81. Other simple vegetable products not mentioned specially, N. W.100 kilos.. 2.50
82. Animal products employed in medicine not specially mentioned, N. W., 100 kilos 1.50

GROUP 2.—COLORS, DYES, AND VARNISHES.

83. Natural colors (ochers, etc.), in powder or lumps, G. W.....100 kilos.. .25
84. Artificial colors of metallic bases:
    (*a*) White and red lead in powder or lumps, N. W.....100 kilos.. 1.00
    (*b*) White and red lead prepared in the paste, oil or water, also lead or colored pencils, N. W.....100 kilos.. 3.00
    (*c*) Other artificial colors of metallic bases, in powder or lumps, N. W., 100 kilos..... 2.00
    (*d*) Other artificial colors of metallic bases prepared in paste, oil, or water, N. W .....100 kilos.. 5.00

    All prepared paints of metallic bases, ready for use, mixed with other oil than linseed oil or turpentine, and all prepared paints of metallic bases, ready for use, containing barytes, chalk, terra alba or iron rust shall be dutiable under paragraph *d* of this number, with a surtax of 50 per cent.
85. Other artificial colors in powder, crystals, lumps or paste, including lithographic inks, N. W.....kilo.. .15
86. Natural dyes:
    (*a*) Woods, barks, roots, etc., for dyeing, G. W.....100 kilos.. .20
    (*b*) Madder or rubian, G. W.....100 kilos.. 2.25
    (*c*) Indigo and cochineal, G. W .....kilo.. .10
87. Artificial dyes:
    (*a*) Extracts from logwood, orchilla and other dyeing extracts, N. W., 100 kilos..... 1.00
    (*b*) Writing, drawing or printing inks, N. W.....100 kilos.. 2.50
    (*c*) Colors derived from coal, N. W .....kilo.. .15

88. Varnishes, N. W	100 kilos..	$4.00
89. Blacking of all kinds, N. W	100 kilos..	3.00

GROUP 3.—CHEMICAL AND PHARMACEUTICAL PRODUCTS.

90. Simple bodies:		
(*a*) Sulphur, G. W	100 kilos..	0.15
(*b*) Bromine, boron, iodine, and phosphorus, N. W	kilo..	.18
91. Inorganic acids:		
(*a*) Hydrochloric, boric, nitric, and sulphuric acid; also aqua regis, G. W	100 kilos..	.20
(*b*) Liquid carbonic acid, N. W	100 kilos..	5.00
(*c*) Other, N. W	100 kilos..	5.00
92. Organic acids:		
(*a*) Oxalic, citric, tartaric and carbolic, G. W	100 kilos..	1.00
(*b*) Oleic, stearic, palmitic, G. W	100 kilos..	1.40
(*c*) Acetic, G. W	100 kilos..	6.00
(*d*) Other, G. W	100 kilos..	5.00
93. Oxides and oxyhydrates of ammoniac, potash, and other caustic and barilla alkalies, G. W	100 kilos..	.25
94. Inorganic salts:		
(*a*) Chloride of sodium (common salt), crude, G. W	100 kilos..	.20
(*b*) Chloride of sodium (common salt), ground, powdered, or otherwise manufactured, G. W	100 kilos..	.50
(*c*) Chloride of potassium; sulphates of soda, iron or magnesia, carbonate of magnesia, alum, G. W	100 kilos..	.45
(*d*) Sulphate of ammoniac; phosphates and superphosphates of lime, nitrate of potash and soda, G. W	100 kilos..	.03
(*e*) Other salts of ammoniac, salts of copper, chloride of lime, sulphate of potash, hyposulphite of soda and borax, sal soda, G. W., 100 kilos		.75
(*f*) Chlorates of soda and potash, G. W	100 kilos..	1.80
95. Organic salts:		
(*a*) Acetates and oxalates, G. W	100 kilos..	2.50
(*b*) Citrates and tartrates, N. W	100 kilos..	3.00
96. Alkaloids and their salts, except those of cinchona bark; chlorides of gold and silver, N. W	kilo..	6.75
97. Chemical products not specially mentioned, N. W	kilo..	.05
98. Pills, except quinine pills, capsules or medicinal dragées and the like, N. W., kilo		.25
99. Pharmaceutical products not specially mentioned, including Chinese and other similar medical preparations, and materials used exclusively therefor not otherwise provided for, N. W	kilo..	.25

The products or substances comprised in Nos. 97, 98, and 99 shall be examined by chemical experts, who must sign the report of examination simultaneously with the customs employees.

GROUP 4.—OILS, FATS, WAX AND THEIR DERIVATIVES.

100. Vegetable oils:		
(*a*) Solid (cocoanut, palm, etc.), G. W	100 kilos..	1.00
(*b*) Liquid (except olive oil), G. W	100 kilos..	1.25
101. Crude oils and animal fats:		
(*a*) Cod-liver oil and other medicinal oils not refined, G. W	100 kilos..	1.50
(*b*) Glycerine, olein, stearine, and spermaceti, crude, G. W	100 kilos..	1.40
(*c*) Other crude oils and fats, G. W	100 kilos..	.50

102. Mineral, vegetable, and animal wax, unwrought, and paraffin in lumps, G. W ..... 100 kilos.. $2.00
103. Articles of stearine and paraffin; wax of all kinds wrought, N. W., 100 kilos 5.00
104. Soap:
(a) Common soap in bars, including castile soap, made of olive oil; also ordinary scouring compositions, N. W ..... kilo.. .01
(b) Ordinary toilet soaps in bars, cakes, or tablets, N. W ..... kilo.. .10
(c) Fine toilet soaps, whether fancy, perfumed, or not, and all others, including so-called medicinal or medicated soaps, N. W ... kilo.. .20
105. Perfumery:
(a) Essential oils used in the preparation of perfumery, N. W .. kilo.. 5.00
(b) All other kinds of perfumery not otherwise provided for; powders and oils for toilet purposes, N. W ..... kilo.. .50

GROUP 5.—VARIOUS.

106. Artificial or chemical fertilizers, G. W ..... 100 kilos.. .05
107. Starch and feculæ for industrial purposes, N. W ..... 100 kilos.. 1.40
108. Dextrine, N. W ..... 100 kilos.. 1.00
109. Glues, albumens, and gelatin, G. W ..... 100 kilos.. 4.00
110. Carbons prepared for electric lighting, G. W ..... 100 kilos.. 5.00
111. Gunpowder and explosive compounds:
(a) Gunpowder, explosive compounds and miners' fuses, N. W., 100 kilos 5.00
(b) Gunpowder, sporting and other explosives not intended for mines, including fireworks of all kinds, N. W ..... kilo.. .20

All gunpowder intended for any kind of firearms, capable of passing through a metallic riddle with round holes 2½ m. m. in diameter, shall be considered as sporting.

CLASS IV.—*Cotton and its manufactures.*

GROUP 1.—RAW COTTON.

112. Raw cotton, with or without seed, and cotton waste, N. W .... 100 kilos.. $0.50

Cotton yarns and threads of less than 20 centimeters in length shall be considered as waste of spun cotton.

GROUP 2.—YARNS.

Rule applicable to goods classed in the present group:

A meter of No. 1 cotton yarn of a single thread weighs 59 centigrams. To ascertain the number to which a cotton yarn corresponds any number of the meters thereof may be taken. The number of meters so taken must be multiplied by 59 and the product thereof must be divided by the number of centigrams that the tested length of yarn weighs. The quotient so obtained will be the number of the tested yarn, if of not more than one thread. If the yarn is of more than one thread, the quotient must be multiplied by the number of threads, and to give the proper number 7 per cent must be added if not dyed, or 10 per cent if dyed.

113. Yarn in hanks:
(a) Bleached or unbleached, N. W ..... kilo.. $0.10
(b) Dyed, N. W ..... kilo.. .15

114.	Yarn in cops, bobbins or spools unbleached, including weight of bobbins, spool, etc.:		
	(*a*) Up to No. 13, N. W	kilo..	$0.09
	(*b*) No. 14 to No. 25, N. W	kilo..	.11
	(*c*) No. 26 to No. 35, N. W	kilo..	.13
	(*d*) No. 36 to No. 45, N. W	kilo..	.16
	(*e*) No. 46 and above, N. W	kilo..	.20
115.	The same bleached or dyed, including weight of bobbins, spools, etc.:		
	(*a*) Up to No. 13, N. W	kilo..	.14
	(*b*) No. 14 to No. 25, N. W	kilo..	.16
	(*c*) No. 26 to No. 35, N. W	kilo..	.18
	(*d*) No. 36 to No. 45, N. W	kilo..	.22
	(*e*) No. 46 and above, N. W	kilo..	.25
116.	All yarns or threads for sewing, crocheting, darning or embroidering, N. W	kilo..	.20

GROUP 3.—TISSUES.

RULE A. When the tissues included in the numbers of this group contain an admixture, they shall, according to kind, be liable to the following surtaxes (*see* Rules 3 to 13, inclusive):

1. Cotton tissues containing threads of hemp, jute, linen, ramie or pita, shall be liable to a surtax of 15 per cent of the duties applicable thereto, provided that the number of these threads of hemp, jute, linen, ramie, or pita, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of hemp, jute, linen, ramie, etc., exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class V.

2. Cotton tissues containing threads of wool, flock wool, hair, or wastes of these materials, shall be liable to a surtax of 35 per cent of the duties applicable thereto, provided that the number of threads of wool, flock wool, hair, or their wastes, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of wool, flock wool, hair or their wastes exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VI, as tissues mixed with wool.

3. Cotton tissues containing threads of silk or floss silk, shall be liable to a surtax of 70 per cent of the duties applicable thereto, provided that the number of silk or floss-silk threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of silk or floss silk exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

The provisions of this rule shall not apply to knitted stuffs, tulles, lace, blondes and tulles for borders (*see* Rule 6), to ribbons (Rule 7), or to trimmings (Rule 7).

RULE B. Articles included in this group, which are within the undermentioned conditions, shall be liable to the following surtaxes (*see* Rules 3 to 13, inclusive):

(*a*) Tissues brochés, or woven like brocades with silk or floss silk shall be liable to the duties leviable thereon, plus a surtax of 15 per cent.

(*b*) Tissues embroidered by hand or by machine after weaving or with application of trimmings shall be liable to the duties leviable thereon, plus a surtax of 30 per cent.

Should the embroidery contain threads, purl, or spangles of common metal or of silver, the surtax shall amount to 60 per cent of the duties applicable to the tissue.

When the threads, purl or spangles are of gold, the surtax shall be 100 per cent.

(*c*) Tissues and trimmings containing threads, or purl of common metals or silver shall be liable to a surtax of 50 per cent of the duties leviable thereon.

When the threads are of purl or gold the surtax shall amount to 100 per cent.

(*d*) Tissues entirely or partially made up into sacks shall be liable to the duties applicable thereto, plus a surtax of 15 per cent.

Shawls called "*mantones*" and "*panalones*," traveling rugs, counterpanes, sheets, towels, tablecloths and napkins, mantles, veils, shawls, hemmed fichus and handkerchiefs shall, for the making up, be liable to a surtax of 30 per cent of the duties leviable thereon.

Other made-up articles, wearing apparel and clothing of all kinds, except corsets, finished, half finish, or simply basted, shall, for their total weight, be liable to the duties leviable on the principal component tissue on their most visible exterior part, plus a surtax of 100 per cent.

Articles of hosiery specially mentioned shall not be liable to the payment of the surtax for making up.

117. Tissues plain and without figures, napped or not, weighing 10 kilograms or more per 100 square meters,[1] unbleached, bleached, or dyed, having:
- (*a*) Up to 18 threads, N. W.....kilo..$0.10
- (*b*) From 19 to 30 threads, N. W.....kilo.. .135
- (*c*) From 21 to 38 threads, N. W.....kilo.. .18
- (*d*) 39 threads or more, N. W.....kilo.. .28
- (*e*) The same tissues printed or manufactured with dyed yarns; dutiable as the tissue, with a surtax of 30 per cent.

118. Tissues plain and without figures, napped or not, weighing less than 10 kilos per 100 square meters, unbleached, bleached or dyed, having:
- (*a*) Up to 12 threads, N. W.....kilo.. .15
- (*b*) From 13 to 22 threads, N. W.....kilo.. .20
- (*c*) From 23 to 30 threads, N. W.....kilo.. .27
- (*d*) From 31 to 38 threads, N. W.....kilo.. .37
- (*e*) 39 threads or more, N. W.....kilo.. .50
- (*f*) The same tissues, printed or manufactured with dyed yarns: Dutiable as the tissue with a surtax of 40 per cent.

119. Tissues twilled or figured on the loom, napped or not, weighing 10 kilograms or more per 100 square meters, [1]unbleached, bleached, or dyed, having:
- (*a*) Up to 12 threads, N. W.....kilo.. .12
- (*b*) From 13 to 22 threads, N. W.....kilo.. .14
- (*c*) From 23 to 30 threads, N. W.....kilo.. .16
- (*d*) From 31 to 38 threads, N. W.....kilo.. .255
- (*e*) 39 threads or more, N. W.....kilo.. .335
- (*f*) The same tissues, printed or manufactured with dyed yarns: Dutiable as the tissue with a surtax of 30 per cent.

120. Tissues twilled or figured on the loom, napped or not, weighing less than 10 kilograms per 100 square meters, unbleached, bleached or dyed, having:
- (*a*) Up to 12 threads, N.W.....kilo.. .18
- (*b*) From 13 to 22 threads, N.W.....kilo.. .23
- (*c*) From 23 to 30 threads, N.W.....kilo.. .32
- (*d*) From 31 to 38 threads, N.W.....kilo.. .43
- (*e*) 39 threads or more, N.W.....kilo.. .55
- (*f*) The same tissues, printed or manufactured with dyed yarns: Dutiable as the tissue with a surtax of 40 per cent.

[1]After washing and dyeing. (Rule 2.)

121.	Tissues for counterpanes, N. W	kilo..	$0.24
122.	Piqués of all kinds, N. W	kilo..	.45
123.	Carded tissues:		
	(*a*) Unbleached, half bleached, or dyed in the piece, N. W	kilo..	.08
	(*b*) Bleached, printed or manufactured with dyed yarns, N. W	kilo..	.20
124.	Velvety tissues, such as corduroys and velveteens, three-ply plush tissues, cut or not, N. W	*kilo*..	.47
125.	Knitted goods, even with needlework:[1]		
	(*a*) Undershirts and drawers of simple finish or rough sewing, N. W	kilo..	.70
	(*b*) Undershirts and drawers of double sewing or fine finish, N. W	kilo..	.80
	(*c*) Stockings, socks, gloves and other small articles of simple finish or rough sewing, N. W	kilo..	.70
	(*d*) Stockings, socks, gloves and other small articles of double sewing or fine finish, N. W	kilo..	.90
126.	Tulles:[2]		
	(*a*) Plain, N. W	kilo..	.70
	(*b*) Figured or embroidered on the loom, N. W	kilo..	.92
127.	Lace, blondes, and tulle for borders, of all kinds ([3]) N. W	kilo..	1.46
128.	Carpets of cotton, N. W	kilo..	.15
129.	Tissues called tapestry, for upholstering furniture and for curtains manufactured with dyed yarns; table covers and counterpanes of the same kind, N. W	kilo..	.32
130.	Wicks for lamps and candles, N. W	kilo..	.15
131.	Trimmings of cotton, ribbons and galloons ([4] [5]) N. W	kilo..	.52

CLASS V.—*Hemp, flax, aloe, jute, and other vegetable fibers and their manufactures.*

GROUP 1.—RAW AND SPUN.

132.	Hemp, raw or hackled, N. W	100 kilos..	$1.10
133.	Flax, raw or hackled, N. W	100 kilos..	1.25
134.	Jute, aloe and other vegetable fibers, N. W	100 kilos..	.40
135.	Yarn of hemp or flax, from No. 21 upward, N. W	100 kilos..	15.00
136.	Yarn or jute, up to No. 12, inclusive, N. W	100 kilos..	12.50
137.	Yarn of hemp and flax, up to No. 20, inclusive, and yarn of jute from No. 13 upward, N. W	100 kilos..	14.00
138.	Yarn of aloe and other vegetable fibers, not elswhere mentioned, up to No. 12, inclusive, N. W	100 kilos..	1.50
139.	The same from No. 13 upward, N. W	100 kilos..	2.75

[1] Knitted goods, mixed with other vegetable fibers, wool, silk, or floss silk, shall respectively be dutiable according to the corresponding numbers of Classes V, VI, and VII. (*See* Rule 6.)

[2] When these articles are mixed in any proportion with linen or silk, they shall respectively be included in the corresponding numbers of Classes V and VI. (Rule 6.)

[3] When these articles are mixed in any proportion with linen or silk, they shall respectively be included in the corresponding numbers of Classes V and VII. (Rule 6.)

[4] *See* Rules 9 and 13.

[5] Ribbons and galloons containing in any proportion threads of other vegetable fibers, wool, or silk, shall respectively be subject to the corresponding numbers of Classes V, VI, and VII. (*See* Rule 7.)

140. Threads, twisted, of two or more ends, hammocks or fishing nets, N. W ..... kilo.. $0.225
141. Gunny bags ..... each.. .02
142. Rope and cordage:
(*a*) Twine or rope yarn and cord; also cordage and ropemakers' wares of hemp, flax, jute, or other fibers, not exceeding 3 m. m. in thickness, G. W ..... 100 kilos.. 6.00
(*b*) Cordage and ropemakers' wares, of hemp, flax, jute or other fibers, exceeding 3 m. m. in thickness, G. W ..... 100 kilos.. 6.00

By the cordage dutiable under this number shall be understood yarn twisted in two or more strands, ten meters of which shall weigh more than five grams.

GROUP 2.—TISSUES.

RULE A. When the tissues included in the numbers of this group contain an admixture they shall, according to kind, be liable to the following surtaxes (*see* Rules 3 to 13 inclusive):

1. Tissues of hemp, jute, linen, ramie or pita containing threads of wool, flock wool, hair, or their wastes, shall be liable to a surtax of 40 per cent of the duties applicable thereto, provided that the number of these threads of wool, flock wool, hair, or their wastes, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of wool, flock wool, hair, or their wastes, exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of group 3, Class VI, as tissues mixed with wool.

2. Tissues of hemp, jute, linen, ramie or pita containing threads of silk or floss silk shall be liable to a surtax of 60 per cent of the duties applicable thereto, provided that the number of these threads of silk or floss silk, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

3. Tissues of cotton containing an admixture of hemp, linen, ramie, jute or other vegetable fibers, and at the same time threads of silk or floss silk, shall be dutiable according to the corresponding numbers of this group (*see* Rule 4, letter *b*), with a surtax of 60 per cent, provided that the number of silk or floss-silk threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of threads of silk or floss silk exceeds one-fifth of the total, the tissues shall be subject to the corresponding duties of Class VII.

The provisions of this rule shall not apply to knitted stuffs, tulles, laces, blonde and tulles for borders (*see* Rule 6), to ribbons (*see* Rule 7), or to trimmings (*see* Rule 8).

RULE B. Articles included in this group which are within the undermentioned conditions shall be liable to the following surtaxes (Rules 3 to 13 inclusive):

(*a*) Tissues *brochés* or woven like brocades with silk or floss silk shall be liable to the duties leviable thereon, plus a surtax of 30 per cent.

(*b*) Tissues embroidered by hand or by machine after weaving or with application of trimmings, shall be liable to the duties leviable thereon, plus a surtax of 30 per cent.

Should the embroidery contain threads, purl, or spangles of common metals or of silver, the surtax shall amount to 60 per cent of the duties applicable to the tissue.

When the threads, purl, or spangles are of gold, the surtax shall be 100 per cent.

(*c*) Tissues and trimmings containing threads or purl of common metals or silver shall be liable to a surtax of 50 per cent of the duties leviable thereon.

When the threads of purl are of gold, the surtax shall amount to 100 per cent.

(*d*) Tissues entirely or partially made up into sacks shall be liable to the duties applicable thereto, plus a surtax of 15 per cent.

Sheets, towels, tablecloths and napkins, mantles, veils, shawls, hemmed fichus and handkerchiefs shall, for the making up, be liable to a surtax of 30 per cent of the duties leviable thereon.

Other made-up articles, wearing apparel and clothing of all kinds, finished or half finished, or simply basted, shall, for their total weight, be liable to the duties leviable on the principal component tissue on their most visible exterior part, plus a surtax of 100 per cent.

Articles of hosiery specially mentioned shall not be liable to the payment of the surtax for making up.

143.	Tissues of hemp, linen, ramie, jute, or other vegetable fibers, not specially mentioned, plain, twilled, or damasked, weighing 35 kilograms or more per 100 square meters,[1] unbleached or dyed in the piece, having:		
	(*a*) Up to 10 threads, N. W	100 kilos	$3.00
	(*b*) From 11 to 16 threads, N. W	kilo	0.75
	(*c*) 17 threads or more, N. W	kilo	.12
	(*d*) The same tissues, bleached, half bleached, or printed: Dutiable as the tissue, with a surtax of 15 per cent.		
	(*e*) The same tissues manufactured with dyed yarn: Dutiable as the tissue, with a surtax of 25 per cent.		
144.	Tissues, plain, twilled, or damasked, weighing from 20 to 35 kilograms per 100 square meters,[1] unbleached or dyed in the piece, having:		
	(*a*) Up to 10 threads, N. W	kilo	.09
	(*b*) From 11 to 16 threads, N. W	kilo	.12
	(*c*) From 17 to 24 threads, N. W	kilo	.18
	(*d*) From 25 to 32 threads, N. W	kilo	.24
	(*e*) 33 threads or more, N. W	kilo	.30
	(*f*) The same tissues, bleached or printed: Dutiable as the tissue, with a surtax of 25 per cent.		
	(*g*) The same tissues, manufactured with dyed yarns: Dutiable as the tissue, with a surtax of 40 per cent.		
145.	Tissues, plain, twilled, or damasked, weighing from 10 to 20 kilograms per 100 square meters,[1] unbleached or dyed in the piece, having:		
	(*a*) Up to 16 threads, N. W	kilo	.12
	(*b*) From 17 to 24 threads, N. W	kilo	.18
	(*c*) From 25 to 32 threads, N. W	kilo	.27
	(*d*) From 33 to 40 threads, N. W	kilo	.35
	(*e*) 41 threads or more, N. W	kilo	.50
	(*f*) The same tissue bleached, half bleached, or printed: Dutiable as the tissue with a surtax of 30 per cent.		
	(*g*) The same tissues manufactured with dyed yarns: Dutiable as the tissue, with a surtax of 50 per cent.		
146.	Tissues, plain, twilled or damasked, weighing less than 10 kilograms per 100 square meters, unbleached or dyed in the piece, having:		
	(*a*) Up to 16 threads, N. W	kilo	.15
	(*b*) From 17 to 24 threads, N. W	kilo	.21
	(*c*) From 25 to 32 threads, N. W	kilo	.30
	(*d*) From 33 to 40 threads, N. W	kilo	.50
	(*e*) 41 threads or more, N. W	kilo	.90

[1] After washing and drying. (Rule 2.)

146. Tissues, plain, twilled or damask, weighing less than 10 kilograms per 100 square meters, unbleached or dyed in the piece, having:
(*f*) The same tissues bleached, half bleached or printed: Dutiable as the tissue, with a surtax of 30 per cent.
(*g*) The same tissues manufactured with dyed yarns: Dutiable as the tissue, with a surtax of 50 per cent.

147. Velvets and plushes of linen, jute, etc., N. W ..... kilo.. $0.30

148. Knitted goods of linen or hemp, mixed or not with cotton or other vegetable fibers, even with needle work:[1]
(*a*) In the piece, jerseys or drawers, N. W ..... kilo.. 1.20
(*b*) Stockings, socks, gloves and other small articles, N. W .... kilo.. 1.50

149. Tulles:[2]
(*a*) Plain, N. W ..... kilo.. .90
(*b*) Figured or embroidered on the loom, N. W ..... kilo.. 1.10

150. Lace, blonde and tulles for borders,[2] N. W ..... kilo.. 3.00

151. Carpets of jute, hemp or other vegetable fibers, without admixture of wool, N. W ..... kilo.. .75

152. Tissues called tapestry, for upholstering furniture and for curtains, mixed or not with cotton, figured or damasked, provided they be manufactured with yarns dyed prior to being woven; table covers and counterpanes of the same kind, N. W ..... kilo.. .42

153. Trimmings of hemp, jute, linen, ramie, etc., ribbons and galloons,[3 4] N. W ..... kilo.. .60

CLASS VI.— *Wools, bristles, hair, horsehair and their manufactures.*

GROUP 1.—RAW.

154. Bristles, horsehair and other hair, including the hair of the camel, vicuna and of the Angora and Cashmere goats, G. W ..... 100 kilos.. $3.60
(*a*) Bristle brushes, in which the bristles give the value, N. W., 100 kilos 6.00

155. Wool:
(*a*) Unwashed, G. W ..... 100 kilos.. 2.55
(*b*) Washed, G. W ..... 100 kilos.. 4.35
(*c*) Combed and prepared for yarns, and garbage of wool carded, G. W ..... 100 kilos.. 5.00
(*d*) Combed, carded and dyed, G. W ..... 100 kilos.. 5.50

GROUP 2.—YARNS.

156. Woolen and worsted yarns:
(*a*) Spun and twisted, unbleached or in the grease, N. W ..... kilo.. .25
(*b*) Bleached or washed, N. W ..... kilo.. .40
(*c*) Dyed, N. W ..... kilo.. .55

---

[1] Knitted goods containing an admixture of wool, silk or floss silk shall, respectively, be dutiable according to the corresponding numbers of Class VI and VII. (Rule 6.)

[2] When such goods are mixed with silk they shall be subject to the corresponding numbers of Class VII. (Rule 6.)

[3] See rules 8 and 12.

[4] Ribbons and galloons containing any proportion of threads of wool or silk shall, respectively, be liable to the corresponding numbers of Class VII. (*See* rule 7.)

GROUP 3.—TISSUES AND FULLED STUFFS.

RULE A. When the tissues comprised in this group are mixed they shall, according to kind, be liable to the following surtaxes (see Rules 3 to 13, inclusive):

1. Tissues of wool or hair containing threads of silk or floss silk shall be liable to a surtax of 45 per cent of the duties applicable thereto, provided that the number of silk or floss silk threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss silk threads exceeds one-fifth of the total, the tissue shall be subject to the corresponding duties of Class VII.

2. Tissues containing an admixture of wool and cotton, or of wool and other vegetable fibers, and at the same time threads of silk or floss silk, shall be dutiable according to the corresponding numbers of this group (Rule 4, letter *a*), with a surtax of 45 per cent, provided that the number of silk or floss silk threads, counted in the warp and weft, does not exceed one-fifth of the total number of threads composing the tissue.

When the number of silk or floss silk threads exceeds one-fifth of the total, the tissue shall be subject to the corresponding duties of Class VII.

The provisions of this rule shall not apply to knitted stuffs, tulles, lace, blondes and tulles for borders (*see* Rule 6), to ribbons (Rule 7), or to trimmings (Rule 8).

RULE B. Articles included in this group, which are within the undermentioned conditions, shall be liable to the following surtaxes (Rules 3 to 13 inclusive):

(*a*) Tissues *brochés*, or woven with brocades with silk or floss silk, shall be liable to the duties leviable thereon, plus a surtax of 20 per cent.

(*b*) Tissues embroidered by hand or by machine after weaving or with application of trimmings, shall be liable to the duties leviable thereon, plus a surtax of 40 per cent.

Should the embroidery contain threads, purl, or spangles of common metals or of silver, the surtax shall amount to 60 per cent of the duties applicable to the tissue.

When the threads, purl, or spangles are of gold, the surtax shall be 100 per cent.

(*c*) Tissues and trimmings containing threads of purl or common metals or silver shall be liable to a surtax of 50 per cent of the duties leviable thereon.

When the threads or purl are of gold, the surtax shall amount to 100 per cent.

(*d*) Shawls, including those called "*mantones*" and "*panolones*," fichus, horse cloths or blankets, traveling bags, bed covers, counterpanes or bordered blankets, (even when the border consists of a silk ribbon provided the latter be not more than 2 centimeters in width), shall, for the making up, be liable to a surtax of 30 per cent of the duties leviable thereon.

Other made-up articles, wearing apparel and clothing of all kinds, finished, half-finished, or simply basted, shall, for their total weight, be liable to the duties leviable on the principal component tissue on their most visible exterior part, plus a surtax of 100 per cent.

Articles of hosiery specially mentioned shall not be liable to the payment of the surtax for the making up.

157. Woolen carpets, pure, or mixed with other materials, N. W.....kilo.. $0.40
158. Felts of pure wool, or mixed with other materials, N. W.....kilo.. .15
159. Blankets of wool, pure or mixed with other materials, N. W.....kilo.. .30

160.	Hosiery, whether mixed or not with other vegetable fibers, even with needle work, N. W	kilo..	$0.40
161.	Cloths, cashmeres, and other similar tissues of wool, waste wool, hair, or a mixture of these materials and cashmere, N. W	kilo..	.55
162.	The same tissues, when the warp or the weft is wholly of cotton or other vegetable fibers, N. W	kilo..	.40
163.	Knitted tissues, with or without mixture of cotton or other vegetable fibers, even with needle work,[1] N. W	kilo..	.45
164.	Astrakans, plushes, wool or hair velvets, even mixed with cotton or other vegetable fibers, N. W	kilo..	.43
165.	All other tissues of pure wool, waste wool, hair, or a mixture of these materials, N. W	kilo..	.68
166.	The same tissues when the warp or weft is wholly of cotton or other vegetable fibers, N. W	kilo..	.50
167.	Tissues of bristles or hair, with or without mixture of cotton or other vegetable fibers, N. W	kilo..	.55
168.	Trimmings of wool or of hair; ribbons and galloons,[2 3] N. W	kilo..	.90

CLASS VII.—*Silk and its manufactures.*

GROUP 1.—RAW AND SPUN.

169.	Eggs of the silkworm, N. W	kilo..	$0.25
170.	Silk waste and cocoon, N. W	kilo..	1.25
171.	Spun silks, not twisted, N. W	kilo..	1.50
172.	Twisted silks, N. W	kilo..	1.75
	(*a*) The same, dyed, N. W	kilo..	1.90
173.	Floss silks:		
	(*a*) Neither twisted nor combed nor carded, N. W	kilo..	1.25
	(*b*) Combed or carded, not twisted, N. W	kilo..	1.35
	(*c*) Twisted, of two or more ends, N. W	kilo..	1.40
174.	Floss silks, dyed, N. W	kilo..	1.50

GROUP 2.—TISSUES.

RULE A. The tissues comprised in this group shall be considered as pure silk tissues when the number of silk or floss-silk threads, counted in the warp and weft, exceeds one-half of the total number of threads composing the tissue. (Rule 5.)

This rule shall not apply to knitted stuffs, tulles, lace, blondes, and tulles for borders, or to ribbons or galloons not exceeding 15 centimeters in width. Such goods shall be considered as mixed-silk tissues and dutiable according to the corresponding numbers of the tariff when containing threads of cotton or other vegetable fibers, wool or flock wool, whatever the proportion of such threads in the mixture. (Rules 6 and 7.)

RULE B. Articles included in this group, which are within the undermentioned conditions, shall be liable to the following surtaxes (*see* Rules 3 to 13, inclusive):

(*a*) Tissues embroidered by hand or by machine after weaving, or with application of trimmings, shall be liable to the duties leviable thereon, plus a surtax of 50 per cent.

---

[1] Knitted goods containing an admixture of silk shall be dutiable according to the corresponding numbers of Class VII. (Rule 6.)

[2] Rules 8 and 12.

[3] Ribbons and galloons containing in any proportion threads of silk shall be dutiable according to the corresponding numbers of Class VII. (Rule 7.)

Should the embroidery contain threads, purl, or spangles of common metals, or of silver, the surtax shall amount to 60 per cent of the duties applicable to the tissue.

When the threads, purl, or spangles are of gold, the surtax shall be 100 per cent.

(*b*) Tissues and trimmings containing threads or purl of common metals or silver shall be liable to a surtax of 50 per cent of the duties leviable thereon.

When the threads or purl are of gold, the surtax shall amount to 100 per cent.

(*c*) Shawls called "*mantones*," handkerchiefs of manila hemp, blankets, counterpanes, shawls, veils, mantles, hemmed fichus, and handkerchiefs shall, for the making up, be liable to a surtax of 30 per cent of the duties leviable thereon.

Other made-up articles, wearing apparel and clothing of all kinds, except hosiery, finished, half finished, or simply basted, shall, for their total weight, be liable to the duties leviable on the principal component tissue on their most visible exterior part, plus a surtax of 100 per cent.

175.	Tissues, plain or twilled, N. W	kilo..	4.50
176.	Tissues of floss or waste silk, of raw silk and of waste silk mixed with silk, N. W	kilo..	3.30
177.	Tissues of silk or waste silk with the warp or weft wholly of cotton or other vegetable fiber, N. W	kilo..	2.30
178.	Tissues of silk or waste silk, with the warp or the weft wholly of wool or hair, N. W	kilo..	2.75
179.	Knitted tissues of silk or waste silk, N. W	kilo..	3.75
180.	Tulles and lace, of silk or waste silk, N. W	kilo..	7.00
181.	Velvets and plushes, N. W	kilo..	4.50
182.	Velvets and plushes of silk or waste silk:		
	(*a*) With the warp or the weft wholly of cotton or other vegetable fiber, N. W	kilo..	3.00
	(*b*) With the warp or the weft wholly of wool or hair, N. W	kilo..	3.50
183.	Trimmings of silk,[1] N. W	kilo..	3.00

CLASS VIII.—*Paper and its application.*

GROUP 1.—PAPER PULP.

184.	Paper pulp, G. W	100 kilos..	$0.25

GROUP 2.—PRINTING AND WRITING PAPER.

185.	Paper, continuous or in sheets, white or colored, unprinted, for printing purposes, N. W	100 kilos..	3.00
186.	Common paper, continuous or in sheets, white or colored, used for wrapping packages, bundles, etc., not including Manila, N. W	100 kilos..	3.00

Paper, except Manila, manufactured into bags of any kind, shall be dutiable when without printing, with a surtax of 30 per cent. If printed, whether in sheets or bags, it shall be dutiable with a surtax of 50 per cent.

187.	Paper in sheets, ruled or not, unprinted, white or colored, used for writing purposes, N. W	100 kilos..	8.00

Envelopes of all kinds shall pay duty under this paragraph with a surtax of 30 per cent.

Paper with printed headings, billheads, forms for invoices, labels, printed cards and the like, and all blank books shall pay duty under this number with a surtax of 50 per cent.

[1] See Rules 8 and 12.

GROUP 3.—PAPER PRINTED, ENGRAVED OR PHOTOGRAPHED.

188. Books, bound or unbound, and other printed matter in Spanish, except those on the free list as hereinafter provided, N. W.....100 kilos.. $3.00
189. Books, bound or unbound, and other printed matter in English and other languages than Spanish not elsewhere mentioned, N. W....100 kilos.. 3.00
190. Prints, charts, maps, etc., drawings, photographs, engravings, and pictures, not elsewhere mentioned, N. W.....kilo.. .30
191. Lithographs, chromolithographs, oleographs, etc., printed from stone, zinc, aluminum, or other material, used as labels, flaps, bands and wrappers for tobacco or other purposes:
(a) Of one to three printings, inclusive, including articles solely printed in bronze (bronze printing to be counted as three printings), but not including any article printed in whole or in part in metal leaf, N. W.....kilo.. .05
(b) Of four to seven printings, inclusive (bronze printing to be counted as three printings), but not including any article printed in whole or in part in metal leaf, N. W.....kilo.. .20
(c) Of eight to thirteen printings, inclusive (bronze printing to be counted as three printings), but not including any article printed in whole or in part in metal leaf, N. W.....kilo.. .40
(d) Of more than thirteen printings (bronze printing to be counted as three printings), including all articles printed in whole or in part in metal leaf, N. W.....kilo.. .80

GROUP 4.—WALL PAPER.

192. Wall paper printed:
(a) On natural ground, N. W.....100 kilos.. 3.50
(b) On dull or glazed ground, N. W.....100 kilos.. 5.25
(c) With gold, silver, wool or glass, N. W.....kilo.. .25

GROUP 5.—PASTEBOARD AND VARIOUS PAPERS.

193. Common packing paper, straw, sand, or glass, paper, N. W...100 kilos.. 1.75
194. Blotting paper, N. W.....100 kilos.. 2.00
195. Other paper not specially provided for, including Manila paper, toilet paper, press copy books, but not including albumen paper and sensitized paper, N. W.....100 kilos.. 4.00
(a) Albumen paper, N. W.....kilo.. .10
(b) Sensitized paper, N. W.....kilo.. .30
(c) Carbon paper, N. W.....kilo.. .20
Manila paper manufactured into bags of any kind, when without printing shall be dutiable with a surtax of 30 per cent, if printed, whether in sheets or bags, with a surtax of 50 per cent.
196. Cigarette paper, printed or unprinted:
(a) Rice paper in books, N. W.....kilo.. .20
(b) Rice paper in rolls, N. W.....100 kilos.. 10.00
(c) Other, in books, N. W.....kilo.. .15
(d) Other, in rolls, N. W.....100 kilos.. 7.00
197. Pasteboard in sheets:
(a) Cardboard paper and fine glazed or pressed cardboard, N. W., 100 kilos..... 3.00
(b) Other pasteboard, N. W.....100 kilos.. 1.00

198. Manufactured pasteboard:
(*a*) Boxes of fine pressed or glazed cardboard or with ornaments, or lined with fine paper; and articles not specially mentioned, N. W. ..... kilo.. $0.20
(*b*) Boxes of common pasteboard, lined with ordinary paper, N. W., 100 kilos 2.00
199. Paste and carton pierre:
(*a*) Unwrought, N. W. ..... 100 kilos.. 1.00
(*b*) Wrought, finished or not, including moldings, N. W ..... kilo.. .15

CLASS IX.— *Wood and other vegetable materials employed in industry, and articles manufactured therefrom.*

GROUP 1.—WOOD.

200. Staves ..... per M.. $1.00
201. Ordinary wood:
(*a*) In boards, deals, rafters, beams, round wood and timber for shipbuilding ..... cubic meter.. .25
(*b*) Planed or dovetailed for boxes and flooring ..... cubic meter.. .40
202. Fine wood for cabinetmakers:
(*a*) In boards, deals, trunks, or logs, G. W ..... 100 kilos.. .50
(*b*) Sawn in veneers, G. W ..... 100 kilos.. 1.00
203. Coopers' wares:
(*a*) Fitted together, G. W ..... 100 kilos.. .60
(*b*) In shooks, also hoops and headings, G. W ..... 100 kilos.. .30
(*c*) Wood cut for making hogsheads or casks for sugar or molasses, G. W ..... 100 kilos.. .10
(*d*) Latticework and fencing, G. W ..... 100 kilos.. .20
(*e*) Handles for tools and implements, G. W ..... 100 kilos.. .20

GROUP 2.—FURNITURE, AND MANUFACTURES OF WOOD.

204. Common wood manufactured into furniture and other wares and articles of all kinds, whether turned or not, painted or not, varnished or not, but neither chiseled, inlaid, veneered or carved, N. W ..... 100 kilos.. 5.00
(*a*) Combs of the same, similarly manufactured or decorated, N. W. ..... kilo.. .07
205. Fine wood manufactured into furniture and other wares, turned, polished, or varnished, and the same wares of common wood veneered with fine wood; furniture covered with stuffs except silk or leather, N. W., 100 kilos 15.00
(*a*) Combs of the same and of bamboo, N. W ..... kilo.. .20
206. Wood of any kind, manufactured into furniture or other wares, gilt, chiseled, carved, inlaid, veneered or ornamented with metal, and furniture upholstered with stuffs of pure or mixed silk, or leather, N. W., 100 kilos 25.00
(*a*) Combs of any kind of wood, similarly manufactured or decorated, N. W ..... kilo.. .30
207. Furniture of bent wood, N. W ..... 100 kilos.. 12.00
208. Barbers' and dentists' chairs and bar fixtures, N. W ..... 100 kilos.. 11.00
209. Billiard tables and all parts thereof and appurtenances, except cloth and balls, N. W ..... 100 kilos.. 10.00

GROUP 3.—VARIOUS.

210.	Charcoal, firewood and other vegetable fuels, G. W	100 kilos..	$0.15
211.	Cork:		
	(*a*) In the rough, or in boards, G. W	100 kilos..	1.40
	(*b*) Manufactured, N. W	100 kilos..	4.50
212.	Rushes, vegetable hair, cane, osiers, fine straw, palm, genista, esparto and other analogous materials unmanufactured, N. W	100 kilos..	1.20
213.	The same, manufactured into articles of all kinds not specially mentioned, including wickerwork or furniture, N. W	100 kilos..	10.00

CLASS X.—*Animals and animal wastes employed in industry.*

GROUP 1.—ANIMALS.

214.	Horses and mares:		
	(*a*) Horses, gelded	each..	$10.00
	(*b*) Other horses and mares	each..	5.00
215.	Mules	each..	5.00
216.	Asses	each..	5.00
217.	Bovine animals:		
	(*a*) Oxen	each..	2.00
	(*b*) Bulls and cows	each..	1.50
	(*c*) Calves and heifers	each..	1.00
218.	Pigs	each..	1.00
219.	Sucking pigs	each..	.25
220.	Sheep, goats, and animals not specially mentioned	each..	.50
221.	Birds:		
	(*a*) Poultry and small game	each..	.25
	(*b*) Singing birds, parrots	each..	.50

GROUP 2.—HIDES, SKINS, AND LEATHER WARES.

222.	Pelts, in their natural state or dressed for trimmings, G. W	kilo..	1.00
223.	Hides and skins, green, or not tanned, G. W	100 kilos..	1.50
	(*a*) The same, wet salted, G. W	100 kilos..	.75
	(*b*) The same, dry salted, G. W	100 kilos..	1.00
224.	Hides tanned with the hair on, G. W	kilo..	.10
225.	Hides tanned without the hair:		
	(*a*) Cow, and other large hides, whole, G. W	kilo..	.10
	(*b*) Other, and backs of large hides, G. W	kilo..	.25
226.	Hides and skins curried, dyed or not:		
	(*a*) Sheepskins (*basils*), N. W	kilo..	.15
	(*b*) Calf or goat skins, N. W	kilo..	.15
	(*c*) Kid, lamb or young calf skins, N. W	kilo..	.25
	(*d*) Cow and other large hides, whole, N. W	kilo..	.15
	(*e*) Backs of large hides, and skins not specially mentioned, N. W., kilo		.20
227.	Hides and skins, varnished, satiny, grained, dulled, and hides and skins with figures, engravings, or embossed, N. W	kilo..	.25
	Leather cut out for boots and shoes or other articles shall pay 20 per cent additional to the duty on the material.		
228.	Chamois leather or parchment, of all kinds, and gilt or bronzed hides and skins, N. W	kilo..	.40
229.	Gloves of skin, N. W	kilo..	3.50
	(*a*) Common baseball and boxing gloves, N. W	kilo..	1.00

230. Shoes of cowhide and similar leather:			
(*a*) For men	per pair	..	$0.10
(*b*) For women	per pair	..	.08
(*c*) For children	per pair	..	.05
231. Shoes of patent and similar leather:			
(*a*) For men	per pair	..	.30
(*b*) For women	per pair	..	.25
(*c*) For children	per pair	..	.15
232. Gaiters of calfskin, with elastic or buttons or for lacing:			
(*a*) For men	per pair	..	.30
(*b*) For women	per pair	..	.25
(*c*) For children	per pair	..	.15
233. Gaiters of patent or similar leather:			
(*a*) For men	per pair	..	.35
(*b*) For women	per pair	..	.30
(*c*) For children	per pair	..	.20
234. Other boots and shoes, fancy	per pair	..	.50
235. Riding boots	per pair	..	1.00
236. Sandals:			
(*a*) Of leather	per pair	..	.15
(*b*) Of other materials, and common shoes worn by the Chinese, per pair			.10
237. Saddlery and harness:			
(*a*) Draft harness, other than for carriages, N. W	kilo	..	.30
(*b*) Carriage harness, N. W	kilo	..	.60
(*c*) Other saddlery and harness makers' wares, valises, hat boxes and traveling bags of cardboard or leather, N. W	kilo	..	.60
238. Other manufactures of leather or covered with leather, N. W	kilo	..	.75

GROUP 3.—VARIOUS.

239. Feathers for ornaments, in their natural state or manufactured, N. W., kilo			2.50
240. Other feathers and feather dusters, N. W	kilo	..	.50
241. Intestines, dried, N. W	kilo	..	2.00
242. Animal wastes, unmanufactured, not especially mentioned, G. W., 100 kilos			.50

CLASS XI.—*Instruments, machinery, and apparatus employed in music, agriculture, industry and locomotion.*

GROUP 1.—MUSICAL INSTRUMENTS, CLOCKS AND WATCHES.

243. Pianos:			
(*a*) Concert grand	each	..	$100.00
(*b*) Ordinary grand	each	..	75.00
(*c*) Concert upright, square	each	..	50.00
(*d*) Ordinary upright, square	each	..	30.00
Strung frames for pianos shall pay as pianos, though they be not imported with all the pieces constituting that instrument.			
244. Harmoniums and cabinet organs	each	..	10.00
245. Mechanical music boxes:			
(*a*) Playing three airs or less	each	..	.75
(*b*) Playing more than three airs	each	..	2.50

Other musical instruments shall be dutiable according to the principal component part thereof, and in addition thereto, a surtax of 100 per cent.

246. Watch cases of gold:
Watches, except as otherwise specially provided for, shall be dutiable on the cases and movements separately.
(*a*) Plain, N. W ..... gram.. $0.
(*b*) Engraved by hand or machinery, N. W ..... gram.. .125
(*c*) Enameled, N. W ..... gram.. .13
(*d*) Enameled and engraved, N. W ..... gram.. .175
(*e*) Set with precious stones, N. W ..... gram.. .25
(*f*) Enameled and set with precious stones, N. W ..... gram.. .26
247. Gold-filled watch cases:
(*a*) Set with precious stones, N. W ..... gram.. .13
(*b*) Others, N. W ..... gram.. .04
248. Watch cases, of silver or any other metal or material, set with precious stones, N. W ..... gram.. .13
249. Watch cases:
(*a*) Of silver, or plated with gold or silver ..... each.. .25
(*b*) Of steel, nickel or other metal ..... each.. .20
(*c*) Of other material ..... each.. .50
250. Common watches with common movements, not jeweled ..... each.. .25
251. Watch movements, men's sizes (above 14 lines) of:
(*a*) 7 jewels or less ..... each.. .25
(*b*) More than 7 jewels and not more than 9 ..... each.. .37
(*c*) More than 9 jewels and not more than 11 ..... each.. .75
(*d*) More than 11 jewels and not more than 13 ..... each.. 1.25
(*e*) More than 13 jewels and not more than 15 ..... each.. 1.75
(*f*) More than 15 jewels and not more than 17 ..... each.. 2.25
(*g*) More than 17 jewels and not more than 19 ..... each.. 4.00
(*h*) More than 19 jewels and not more than 21 ..... each.. 5.00
(*i*) More than 21 jewels and not more than 23 ..... each.. 6.00
(*j*) More than 23 jewels and not more than 25 ..... each.. 7.00
(*k*) 26 jewels or more ..... each.. 8.00
252. Watch movements, women's sizes (14 lines or less) of:
(*a*) 7 jewels or less ..... each.. .31
(*b*) More than 7 jewels and not more than 9 ..... each.. .62
(*c*) More than 9 jewels and not more than 11 ..... each.. 1.25
(*d*) More than 11 jewels and not more than 13 ..... each.. 1.87
(*e*) More than 13 jewels and not more than 15 ..... each.. 2.50
(*f*) More than 15 jewels and not more than 17 ..... each.. 3.12
(*g*) More than 17 jewels and not more than 19 ..... each.. 4.37
(*h*) More than 19 jewels and not more than 21 ..... each.. 5.87
(*i*) More than 21 jewels and not more than 23 ..... each.. 6.87
(*j*) More than 23 jewels and not more than 25 ..... each.. 7.62
(*k*) 26 jewels or more ..... each.. 9.37
253. Detached parts of watch movements, also dials detached, N. W., hectog. 5.00
254. Clocks:
(*a*) Common, with weights and springs; and alarm clocks .. each.. .25
(*b*) Works for wall clocks, finished, without cases ..... each.. .50
Cases, stands, glasses, shades and other accessories will be dutiable as manufactured articles, according to their component material.
255. Works for tower clocks, whether set up or not ..... each.. 12.50
256. Chronometer in cases or boxes for marine or professional use, too large to be carried on the person ..... each.. 7.00

GROUP 2.—APPARATUS AND MACHINERY.

257. Weighing machines:
(a) Machinery and apparatus for weighing goods in bulk, N. W., 100 kilos $0.50
(b) Platform scales and weights, and counter scales having platforms, and steelyards and detached parts of same, N. W ... 100 kilos .. 3.00
(c) Balance and spring scales, with weights and scoops, N. W .. kilo .. .25
258. Marine engines and steam pumps; hydraulic, petroleum, gas, and hot or compressed air motors, N. W ..... 100 kilos .. 1.50
259. Boilers:
(a) Sheet iron, G. W ..... 100 kilos .. .50
(b) Other, G. W ..... 100 kilos .. .75
260. Agricultural machinery and apparatus, machinery and apparatus for pile driving, dredging, hoisting, making or repairing roads, for refrigerating and ice making, for making sugar, preparing rice or hemp, and other vegetable products of the islands for the markets, G. W .... 100 kilos .. .25
261. Locomotives, including tenders, and traction engines of all kinds using steam or other power, G. W ..... 100 kilos .. 1.00
262. Turntables, hydraulic cranes, and columns, G. W ..... 100 kilos .. .30
263. Apparatus and appliances (not machinery) for electric lighting and power:
(a) Switches, cut-outs, lamp sockets, shade holders, rosettes, plugs, brushes of copper and carbon, wet and dry batteries complete, tapes and compounds for winding wires, testing sets, testing bells for current, arc lamps and fittings for same, fuse boxes, insulating coils; and all insulating materials not elsewhere expressly provided for, N. W ..... 100 kilos .. 3.00
(b) Galvanometers, amperemeters, voltmeters, N. W ..... 100 kilos .. 25.00
Only articles used exclusively in the generation and distribution of electric currents for light or power shall be classed under this number.
264. Storage batteries for lighting or power, N. W ..... 100 kilos .. 25.00
265. Dynamos, generators, exciters and all other machinery for the generation of electricity for lighting or for power, also transformers, N. W., 100 kilos 5.00
266. Sewing machines and detached parts thereof, N. W ..... 100 kilos .. 3.00
267. Velocipedes, bicycles:
(a) Complete, except lamps ..... each .. 5.00
(b) Detached parts and accessories thereto, including lamps, N. W., kilo ..... .30
268. Typewriters and phonographs ..... each .. 8.00
269. Cash registers ..... kilo .. .25
270. Automatic slot machines:
(a) For weighing, N. W ..... kilo .. .50
(b) Others, not prohibited, N. W ..... kilo .. 1.25
271. Other machinery and detached parts not otherwise provided for:
(a) Of copper and its alloys, N. W ..... 100 kilos .. 4.00
(b) Of other material, N. W ..... 100 kilos .. 1.00

GROUP 3.—CARRIAGES.

272. Fine coaches and berlins, new, used or repaired:
(a) With four seats, with or without hoods ..... each .. 50.00
(b) With two seats, with or without folding seats ..... each .. 35.00
273. Omnibuses, diligences, Concord or similar coaches, new, used or repaired, each 35.00

274. Other common four-wheeled carriages, with four or more seats, new, used or repaired	each		$20.00
275. All other carriages not specially mentioned, new, used or repaired:			
(*a*) With one seat	each		10.00
(*b*) With two seats	each		15.00
(*c*) With not more than four seats	each		20.00
(*d*) Automobiles for passengers	each		60.00
(*e*) Automobiles for merchandise	each		60.00
176. Railway carriages of all kinds for passengers	each		100.00
(*a*) Finished wooden parts of the same, N. W	100 kilos		1.50
277. Tramway carriages of all kinds	each		45.00
278. Wagons	each		7.50
279. Carts	each		5.00
280. Hand carts	each		3.00

GROUP 4.—EMBARCATIONS, LAUNCHES AND TUGS.

281. Wooden vessels of registered net tonnage of:			
(*a*) Not more than 50 tons	per ton		1.60
(*b*) Over 50 tons and not more than 300	per ton		2.00
(*c*) Over 300	per ton		2.40
282. Vessels with iron or steel hull and of mixed construction:			
(*a*) Propelled by steam, or steam and sail	per net registered ton		4.00
(*b*) Propelled by sail	per net registered ton		3.00

CLASS XII.—*Alimentary substances.*

GROUP 1.—MEATS AND FISH.

283. Dead poultry and game, dressed or undressed, N. W	kilo		$0.05
284. Meat, salted or in brine, and jerked beef, G. W	100 kilos		1.00
285. Hams, bacon and other meats, smoked or cured, also sausages not in cans, N. W	100 kilos		3.00
286. Lard (however contained), N. W	100 kilos		2.00
287. Cottolene and all imitations of lard, G. W	100 kilos		2.50
288. Salted cod and stockfish, G. W	100 kilos		1.00
289. Fish, other:			
(*a*) Fresh, with the salt indispensable for its preservation, G. W., 100 kilos			.80
(*b*) Salted, smoked or pickled, not in cans, G. W	100 kilos		2.00
290. Oysters, clams and shellfish not in glass or canned, G. W	100 kilos		2.50

GROUP 2.—GRAIN, DRIED FRUIT, AND VEGETABLES, AND PREPARATIONS OF THE SAME.

291 Rice:			
(*a*) Unhusked, G. W	100 kilos		.40
(*b*) Husked, G. W	100 kilos		.50
(*c*) Flour, G. W	100 kilos		1.50
292. Wheat, rye, and barley:			
(*a*) In grain, G. W	100 kilos		.50
(*b*) In flour, N. W	100 kilos		.75
293. Corn (maize), oats and other cereals not mentioned elsewhere:			
(*a*) In grain, G. W	100 kilos		.10
(*b*) In meal or flour, G. W	100 kilos		.40
294. Millet:			
(*a*) In grain, G. W	100 kilos		.40
(*b*) In flour, G. W	100 kilos		.50
295. Malt, G. W	100 kilos		3.00

296. Hops, G. W.....100 kilos.. $3.00
297. Cereals prepared for table use, such as oatmeal, cracked wheat, corn starch, avena, and all other preparations of cereals for table use not elsewhere specially provided for, N. W .....100 kilos.. 2.00
298. Bread, biscuit, crackers and wafers made of flour from cereals or pulse:
(a) Unsweetened, N. W .....100 kilos.. 3.00
(b) Sweetened, N. W .....100 kilos.. 5.00
299. Vermicelli, macaroni, alimentary fecula, and pastes for soups, N. W., 100 kilos..... 3.00
300. Dried raisins, dates, figs and citron, put up in small packages, N. W., 100 kilos..... 2.50
301. The same fruits in bulk and all other dried and desiccated fruits, N. W., 100 kilos..... .75
302. Dried beans, peas and pulse:
(a) In bulk, G. W.....100 kilos.. .75
(b) Put up in small packages, N. W .....100 kilos.. 1.00
(c) Flour of, G. W .....100 kilos.. 1.50
303. Dried or desiccated vegetables, not elsewhere specially provided for, G. W.....100 kilos.. 1.00

GROUP 3.—TROPICAL AND SEMITROPICAL PRODUCTS.

304. Sugar:
(a) Raw and glucose, G. W.....100 kilos.. 1.62
(b) Refined, N. W.....100 kilos.. 3.00
305. Cocoa:
(a) Of all kinds in the bean, G. W .....100 kilos.. 5.75
(b) Ground, in paste, powder and cocoa butter, N. W....100 kilos.. 10.00
306. Coffee:
(a) In grains, G. W.....100 kilos.. 7.50
(b) Ground, N. W.....100 kilos.. 8.70
307. Succory root and chicory in any form, N. W.....100 kilos.. 7.50
308. Cinnamon, first grade:
(a) Unground, N. W .....100 kilos.. 8.00
(b) Ground, N. W.....100 kilos.. 10.00
309. Cinnamon, second grade:
(a) Unground, N. W .....100 kilos.. 6.00
(b) Ground, N. W.....100 kilos.. 8.00
310. Vanilla beans, N. W.....kilo.. 5.00
311. Cloves and other spices not specially mentioned:
(a) Unground, N. W .....kilo.. .08
(b) Ground, N. W.....kilo.. .10
312. Allspice and mace:
(a) Unground, N. W .....kilo.. .07
(b) Ground, N. W .....kilo.. .09
313. Nutmegs:
(a) Unhusked, G. W .....kilo.. .04
(b) Husked, G. W .....kilo.. .06
314. Pepper:
(a) Whole, N. W .....kilo.. .04
(b) Ground, N. W.....kilo.. .06
315. Mustard:
(a) Seed, N. W .....kilo.. .04
(b) Ground, N. W .....kilo.. .06
(c) In paste, N. W .....kilo.. .15
316. Tea, N. W.....kilo.. .20

GROUP 4.—SEEDS AND FORAGE.

317.	Seeds not elsewhere provided for and carob beans, G. W	100 kilos.	$0.50
318.	Hay, forage and bran, G. W	100 kilos.	.15

GROUP 5.—OILS AND BEVERAGES.

319.	Olive oils:		
	(*a*) In receptacles of earthenware, wood or tin, N. W	100 kilos.	5.00
	(*b*) In bottles, N. W	kilo.	.075
320.	Other refined oils in bottles for table use, N. W	kilo.	.08
321.	Alcohol	liter.	.35
322.	Brandies, liqueurs, cordials and all compound spirits not specially mentioned:		
	(*a*) In wood	liter.	.45
	(*b*) In bottles, flasks, demijohns and other similar receptacles	liter.	.50
	(*c*) Whiskey, rum and gin in wood	liter.	.40
	(*d*) Whiskey, rum and gin, in bottles, flasks, demijohns, and other similar receptacles	liter.	.45
323.	Wines, sparkling	liter.	.85
324.	Wines, still (fine):		
	(*a*) All white wines, including the so-called generous wines (*vinos generosos*), and all red or white dessert or liqueur wines except those mentioned in the next number, in casks, barrels and half barrels	liter.	.25
	(*b*) The same in bottles, flasks, demijohns or other similar receptacles	liter.	.40
	(*c*) Common wines such as *vin ordinaire*, *vino commune* and others of like quantity, red or white, in casks, barrels and half barrels	liter.	.05
	(*d*) The same in bottles, flasks, demijohns, or other similar receptacles	liter.	.20
325.	Beer, malt extract, and cider, natural or artificial, etc.:		
	(*a*) Malt liquor, malt extract and cider in casks	hectol.	3.40
	(*b*) Malt liquor, malt extract and cider in bottles	hectol.	4.60
	(*c*) Sweetened, flavored or aerated water, ginger ale, root beer, and other nonalcoholic beverages not otherwise provided for, in casks, barrels and half barrels	hectol.	1.60
	(*d*) The same, in bottles, flasks, demijohns or other similar receptacles	hectol.	3.00
326.	Fruit juice, pure or with only sufficient sugar to preserve it	liter.	.06

GROUP 6.—VARIOUS.

327.	Canned or potted meats, such as beef, mutton, sausage, chicken, turkey, ham, bacon, and generally all meats preserved in cans or jars, not spiced or highly seasoned, N. W	kilo.	.05
328.	Canned or potted meats of the delicatessen class, such as spiced meats, mince-meat, pate de fois gras, deviled ham, and generally all meats preserved in cans or jars, not in common use as ordinary food, N. W	kilo.	.20
329.	Canned or potted fish, and sea food, such as cod, salmon, herring, sardines, oysters, clams, and generally all sea products preserved in cans or jars, not highly spiced or seasoned, N. W	kilo.	.05
330.	Canned and potted fish and sea food of the delicatessen class, such as anchovies, caviar, fish roe, and generally all fish or sea food preserved in cans or jars, not in use as ordinary food, N. W	kilo.	.20
331.	Canned or potted soups of all kinds, including clam broth, N. W	kilo.	.075

332. Condensed or concentrated milk or cream, and canned vegetables of all kinds, such as tomatoes, corn, pease, beans, pumpkins, and generally vegetables preserved in cans or jars, N. W ..... kilo.. $0.025
333. Pickled vegetables and fruits of all kinds:
(a) In stone or glass, N. W ..... kilo.. .10
(b) In wood, G. W ..... 100 kilos.. 2.00
334. Canned or preserved fruits:
(a) With just sufficient sugar to preserve the fruit, belonging to the class known as pie fruits, in wood, G. W ..... 100 kilos.. 3.50
(b) With more sugar than in the foregoing paragraph, but not belonging to the class of preserves, whether put up in tin or glass, such as canned pears, apples, peaches, and the like, N. W ..... kilo.. .05
335. Canned or bottled preserves and jams, with high percentage of sugar, whether put up in tin or glass, N. W ..... kilo.. .09
336. Preserved or brandied fruits in cordials or spirits of any kind containing more than 18 per cent of alcohol, such as brandied peaches, cherries preserved in maraschine and the like, whether put up in tin or glass, N. W ..... kilo.. .125
337. Canned breads of all kinds, N. W ..... kilo.. .025
338. Canned cakes, puddings and sweetmeats not candied, such as plum pudding and the like, N. W ..... kilo.. .10
339. Saccharine, N. W ..... kilo.. 3.00
340. Flavoring extracts, N. W ..... kilo.. .25
341. Sauces and condiments for table use, put up in glass, such as caper, tomato and tabasco sauce, and the like, N. W ..... kilo.. .125
342. Nuts, dried, of all kinds in natural state, not otherwise provided for, N. W ..... 100 kilos.. 2.50
343. Chocolate:
(a) In forms or lumps of more than two kilos for manufacturing purposes, N. W ..... kilo.. .10
(b) In cakes or powder for table use, not made up into bon bons or candy, N. W ..... kilo.. .12
344. Conserved or crystallized fruit or nuts, used as confectionery and sweetmeats, whether put up in paper, metal or glass, N. W ..... kilo.. .25
345. Confectionery, candies and sweetmeats of all kinds, N. W ..... kilo.. .125
346. Eggs, salted or preserved, G. W ..... 100 kilos.. 2.50
347. Cheese:
(a) Fine, in glass, stone or metal, not in use as common food, N. W. ..... kilo.. .25
(b) Other (common), G. W ..... kilo.. .025
348. Butter, N. W ..... kilo.. .05
349. Oleomargarine, butterine and all imitations of butter, N. W ..... kilo.. .06
350. Honey, molasses and sirup of cane, G. W ..... 100 kilos.. 1.00

Class XIII.—*Miscellaneous.*

351. Fans:
(a) With mountings of bamboo, reeds, or other woods, N. W. kilo.. $2.00
(b) With mountings of horn, bone, composition, or metal other than gold and silver, N. W ..... kilo.. 2.50
(c) With mountings of tortoise shell, ivory or mother-of-pearl; also fans of kid skin, silk tissue, or feathers, N. W ..... kilo.. 5.00
352. Combs:
(a) Of horn or india rubber, N. W ..... kilo.. 2.00
(b) Of tortoise shell or ivory, N. W ..... kilo.. 5.00

380. Tobacco:
(a) In the leaf, unmanufactured, N. W .....kilo.. $0.50
(b) Manufactured, N. W .....kilo.. 2.00
380a. On all other goods, wares, merchandise, and effects not otherwise enumerated or provided for, except crude materials...per cent ad valorem.. 25
380b. On crude materials not otherwise enumerated ...per cent ad valorem.. 10

ARTICLES FREE OF DUTY.

SEC. 11. The following articles shall pay no duty on their importation into the Philippine Islands:

381. Natural mineral waters.
382. Trees, shoots, and plants; also moss in a natural or fresh state.
383. Copper, gold and silver ores.
384. All samples in such quantity or of such dimensions or construction as to render them unsalable or of no commercial value.
385. Articles of the growth, produce and manufacture of the Philippine Islands exported to a foreign country and returned without having been advanced in value or improved in condition by any process of manufacture or other means, and upon which no drawback or bounty has been allowed.
386. Gold, silver, and platinum, in broken-up jewelry or table services, bars, sheets, coins, pieces, dust and scraps.
387. Gold, silver, and platinum, in articles manufactured and stamped in the Philippine Islands.
388. Fresh fruits.
389. Fresh garden produce.
390. Fresh meat, except poultry and game; also ice.
391. Fresh eggs.
392. Fresh milk.
393. Diamonds and other precious stones in the rough, unmounted.
394. Hand painting, on canvas, wood or paper, in oil or water colors, intended for use as works of art, and not a part or decoration of any other merchandise.
395. Lithographs, posters, calendars and folders for advertising purposes only, having no commercial value and designed for free public distribution.
396. Public magazines, reviews, newspapers and like published periodicals; also all Bibles and schoolbooks
397. Manures, natural.
397a. Quinine, sulphate and bisulphate of, and all alkaloids or salts of cinchona bark, in pills or otherwise.

ARTICLES FREE OF DUTY, SUBJECT TO CONDITIONS.

398. Wearing apparel, toilet objects and articles for personal use, bed and table linen, books, portable tools and instruments, theatrical costumes, jewels and table services bearing evident signs of having been used, imported by travelers in their luggage in quantities proportionate to their profession and position.
The customs authorities may exact a bond for the exportation of these articles when deemed necessary by them.
399. Works of fine art destined for public museums, galleries or art schools; when due proof is given as to their destination.
400. Archæological and numismatical objects for public museums, academies and scientific and artistic corporations, in proof of their destination.
401. Specimens and collections of mineralogy, botany, zoology and ethnology, and small models for public museums, public schools, academies, and scientific and artistic corporations, on proof of their destination.

402. Philosophical and scientific books, apparatus, utensils, instruments and preparations, including packing, packages and receptacles thereof, specially imported in good faith and for the use and by the order of any society or institution incorporated or established solely for philosophical, educational, scientific or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any college, academy, school or seminary of learning in the Philippine Islands, or of any public library, and not for sale or hire; subject to such regulations as may be prescribed by the collector of customs of the islands.

If the regulations in each case are not complied with, or if the examination is not entirely satisfactory, the exemption shall be annulled, and the duties stipulated in the tariff shall be collected.

ARTICLES FREE OF DUTY SUBJECT TO THE FORMALITIES PRESCRIBED IN EACH CASE BY THE CUSTOMS AUTHORITIES.

403. Casks, sacks, and large metal receptacles in use as immediate containers of dutiable imported commodities, when such receptacles are to be reexported.
404. Carriages, trained animals, portable theaters, circus equipments, panoramas, wax figures, and other similar objects for public entertainment, imported temporarily.
405. Household furniture of persons coming to settle in the Philippine Islands which has been in use by them for one year.
406. Foreign articles destined to exhibitions held in the Philippine Islands.
407. Submarine telegraph cables.
408. Pumps intended for the salvage of vessels imported temporarily.
409. Parts of machinery, pieces of metal and wood imported for the repair of foreign vessels which have entered ports of the Philippine Islands through stress of weather.

EXPORT DUTIES.

SEC. 12. On the following products of the Philippine Islands, when exported therefrom, there shall be levied and collected on the gross weight thereof export duties as follows:

410.	Abaca, raw or wrought hemp	100 kilos..	$0.75
411.	Indigo	100 kilos..	.25
412.	Indigo employed for dyeing ("*tinarron*")	100 kilos..	.025
413.	Rice	100 kilos..	1.00
414.	Sugar	100 kilos..	.05
415.	Cocoanuts, fresh and dried (copra)	100 kilos..	.10
416.	Tobacco, manufactured, of all kinds and whatever origin	100 kilos..	1.50
417.	Tobacco, raw, grown in the provinces of Cagayan, Isabella, and New Biscay (Luzon Islands)	100 kilos..	1.50
418.	Tobacco, raw, grown in the Visayas and Mindanao Island	100 kilos..	1.00
419.	Tobacco, raw, grown in other provinces of the archipelago	100 kilos..	1.50

Certificates of origin of raw tobacco may be required by the customs authorities when proof of the place of production is necessary.

TONNAGE DUES.

SEC. 13. At all ports or places in the Philippine Islands there shall be levied the following navigation and port charges:

On the entry of a vessel from a port or place not in the Philippine Islands, two and one-half cents ($0.025) per gross ton, as expressed in her national certificate of registry.

On the entry of a vessel from a port or place not in the Philippine Islands lading or discharging cargo which is less than the net tonnage of the vessel, dues of twenty cents ($0.20) per thousand kilograms may be imposed, at the option of the master or consignor or consignee of the cargo, in lieu of the tonnage tax above prescribed.

On the entry of a vessel only to discharge or take on board passengers and their baggage, the tonnage tax above prescribed shall not be imposed.

SEC. 14. The following shall be exempt from tonnage dues:

A vessel belonging to or employed in the service of the Government of the United States.

A vessel of a foreign government not engaged in trade.

A vessel in distress.

A yacht belonging to an organized yacht club of the United States or of a foreign nation which imposes no tonnage or equivalent taxes on American yachts.

WHARF CHARGES.

SEC. 15. There shall be levied and collected upon goods of all kinds exported through the ports of entry of the Philippine Islands a duty of seventy-five cents ($0.75) per gross ton of 1,000 kilos, as a charge for wharfage and for harbor dues, whatever be the port of destination or nationality of the exporting vessel.

SEC. 16. There shall be levied and collected upon the goods of all kinds imported into ports of entry of the Philippine Islands and destined for transshipment to other ports of the Philippine Islands, a charge for wharfage of twenty-five cents ($0.25) per 1,000 kilograms gross at the port of transshipment.

SEC. 17. Merchandise imported, exported, or shipped in transit for the use of the Government of the United States, or of that of the Philippine Islands, including coal, shall be exempt from wharf charges.

REIMPORTATION OF INSULAR PRODUCTS.

SEC. 18. Goods, fruits, and articles of the Philippine Islands exported abroad and reimported, owing to their not having been sold at the place of destination, shall be exempt from the payment of duty, provided, always, that they are enclosed in the same packages and bear the same marks, and that they are accompanied by certificates of the consular officer, or, if there be none, of the local authority, stating that the goods, produce or effects of the country are reimported for the above-stated reason.

Abaca, raw, is exempt from the production of the aforesaid certificate.

SEC. 19. The following articles may likewise be imported free of duty.

(*a*) Paintings which are works of art, and have been exported with a custom-house certificate, provided that their identity is established to the satisfaction of the customs authorities.

(*b*) Books, when, on their exportation, the number of the copies, the title of the work, and the name of the editor have been stated in the export certificate.

(*c*) Copper coins returned from foreign countries, if, on examination, it appears that they have been coined legitimately.

(*d*) Articles returned from foreign exhibitions.

(*e*) Articles of the Philippine Islands returned from foreign countries, the entry of which was prohibited at the place of destination.

REPERTORY AND INDEX.

SEC. 20. The following is the repertory and index referred to in section 4, Rule 14 of this act:

INDEX AND REPERTORY.

A.

	Number.
Abaca. (*See* Hemp.)	
Export duty	410
Abbreviations used in tariff law	Sec. 6
Absorbent cotton	99
Acetates	95 (*a*)
Acetic acid	92 (*c*)
Acetyline, apparatus for	271
Acids, inorganic:	
Aqua regia	91 (*a*)
Boric	91 (*a*)
Carbonic, liquid	91 (*b*)
Hydrochloric	91 (*a*)
Nitric	91 (*a*)
Sulphuric	91 (*a*)
Other inorganic	91 (*c*)
Acids, organic:	
Acetic	92 (*c*)
Carbolic	92 (*a*)
Citric	92 (*a*)
Oleic	92 (*b*)
Oxalic	92 (*a*)
Palmitic	92 (*b*)
Stearic	92 (*b*)
Tartaric	92 (*a*)
Other organic	92 (*d*)
Adornments (for personal use):	
Of amber	354 (*b*)
Of bone	355 (*b*)
Of celluloid	355 (*b*)
Of coral	354 (*b*)
Of horn	355 (*b*)
Of ivory	354 (*b*)
Of jet	354 (*b*)
Of meerschaum	354 (*b*)
Of mother-of-pearl	354 (*b*)
Of tortoise shell	354 (*b*)
Of whalebone	355 (*b*)
Of compositions imitating any of the foregoing	355 (*b*)
Of other materials. (*See* Corresponding paragraphs.)	
Advertisements, certain, when free	395
Adzes	46 (*a*)
Adulterated wine, importation prohibited	Sec. 5 (3)

	Number.
Aerated waters	325 (*c*) and (*d*)
Agate	24 (*b*)
Agricultural apparatus and machinery:	
Cultivators, harrows, huskers, mowers, plows, reapers and binders, seed planters, shellers, theshers, winnowers, etc	260
Agricultural tools and implements (not machinery)	46 (*b*)
Axes	46 (*b*)
Cane knives	46 (*b*)
Grafters	46 (*b*)
Hoes	46 (*b*)
Machetes	46 (*b*)
Mattocks	46 (*b*)
Pruning knives, saws, and shears	46 (*b*)
Rakes	46 (*b*)
Scythes	46 (*b*)
Sickles	46 (*b*)
Spades	46 (*b*)
Weeding hooks, etc	46 (*b*)
Air motors of all kinds	258
Alabaster	1 (*a*), (*b*), (*c*), or (*d*)
Alarm clocks	254 (*a*)
Albumen paper	195 (*a*)
Albumens	109
Albums:	
Of pasteboard or cardboard	198 (*a*) or (*b*)
Of other materials. (*See* corresponding paragraphs.)	
Alcohol	321
Ale	325 (*a*) and (*b*)
Ginger	325 (*c*) and (*d*)
Alimentary feculæ and pastes for soups	299
Alkalies, caustic and barilla oxides and oxyhydrates of	93
Alkaloids and their salts	96
In pills, capsules, dragées	98
Aloe:	
Raw	134
Yarn of, up to No. 12, inclusive	138
Yarn of, No. 13, and above	139
Tissues of. (*See* Tissues.)	
Aloes, extract of	78
Alloys of metals mentioned. (*See* Corresponding metals.)	
Alloys of metals not mentioned (*see* zinc, lead, etc.)	73
Allspice	312
Almonds:	
Dried, in natural state	342
Oil of	100 (*b*)
Essence of, for perfumery	105 (*a*)
Extract of, for flavoring food	340
Alpaca:	
Wool	155
Tissues of. (*See* Tissues.)	
Alum	94 (*c*)
Aluminum:	
In lumps or ingots	71 (*a*)

	Number.
Aluminum—Continued.	
In bars, sheets, pipes, and wire	71 (*b*)
In other articles	71 (*c*)
Amber:	
Unwrought	354 (*a*)
Wrought	354 (*b*)
Imitations of	355 (*a*) or (*b*)
Amethyst	24 (*b*)
Ammonia	9
Ammoniac:	
Oxide of	93
Oxyhydrate of	93
Salts of, not mentioned	94 (*c*)
Sulphate of	94 (*d*)
Amperemeters	263 (*b*)
Anchors	42
Anchovies:	
Canned or potted	330
Salted, smoked, or pickled (not in cans)	289 (*b*)
Sauce of	341
Angora goat, hair	154
Tissues of. (*See* Tissues.)	
Animal:	
Fats	101
Products employed in medicine, not specially mentioned	82
Wastes, unmanufactured, not specially mentioned	242
Wax, wrought	103
Wax, unwrought	102
Animals:	
Not specially mentioned	220
Asses	216
Bulls and cows	217 (*b*)
Calves and heifers	217 (*c*)
Horses and mares	214 (*a*) and (*b*)
Mules	215
Oxen	217 (*a*)
Pigs and sucking pigs	218, 219
Poultry and small game	221 (*a*)
Sheep and goats	220
Singing birds and parrots	221 (*b*)
Specimens of, prepared for museums, etc	401
Trained, imported temporarily for public entertainment	404
Anise seed	81
Oil of	105
Anisette	322 (*a*) or (*b*)
Antifebrine	99
Antimony. (*See* Zinc, lead, etc.)	
Antipyrine	99
Anvils	43
Apparatus:	
Agricultural	260
Electric, for light, power, and heat	263
For dredging	260
For hoisting	260

	Number.
Apparatus—Continued.	
For making and repairing roads	260
For making sugar	260
For photography. (*See* Photographic cameras.)	
For pile driving	260
For preparing rice, hemp, or other insular vegetable products for the market	260
For refrigeration and ice making	260
For weighing	257
Philosophical and scientific, when free	402
Scientific, such as aerometers, barometers, compasses, quadrants, microscopes, theodolites, telescopes, thermometers, and the like, opera and field glasses	380 (*a*)
Aqua regia	91 (*a*)
Archæological objects for public museums, etc	400
Archil, extract of	87 (*a*)
Arms:	
Side arms (not fire) and pieces for same	54 (*b*)
Small arms, such as pistols and revolvers	55 (*c*)
Detached parts for same, except barrels	55 (*c*)
Barrels for same, unfinished	55 (*a*)
Barrels for same, finished	55 (*b*)
Sporting arms, breech or muzzle loading	56
Detached parts for same, except barrels	56
Barrels for same, unfinished	55 (*a*)
Barrels for same, finished	55 (*b*)
Unprohibited, cartridges for; also caps and primers	359
Articles:	
Domestic, exported and reimported without advance in value or condition, free	385
Free of duty	Sec. 11
Not enumerated, how classified	Rule 14
Of two or more materials, how classified	Rules 15, 16
Two or more in same package, dutiable on gross weight, and with different rates of duty, packing and package, how dutiable	Rule 22
Artificial fertilizers	106
Flowers, fruits, seeds, pistils, buds, &c	364
Arts, fine, steel tools and implements for works of	46 (*a*)
Fine works of, acquired by Government, academies, &c	399
Asbestos:	
Unwrought	2 (*a*)
Manufactured or wrought into any article	2 (*d*)
Asphalts	7
In paving blocks	7
Asses	216
Astrakhans	164
Automatic slot machines:	
Not prohibited	270 (*a*) or (*b*)
Prohibited	Sec. 5 (6)
Automobiles	275 (*d*) or (*e*)
Avena, prepared for table use	297
Awls	46 (*a*)
Axes	46 (*b*)
Axle grease for cars and carts	8

	Number.
Axles:	
Bent	38 (*b*)
Straight	38 (*a*)

B.

Bacon:	
Canned or potted	327
Other	285
Baggage (travelers')	398
Bags:	
Gunny	141
Of manila paper	195, note.
Traveling, of cardboard or leather	237 (*c*)
Balsams:	
In a natural state	81
Prepared in capsules	98
Otherwise prepared	99
Bamboo:	
In walking sticks or sticks for parasols and umbrellas	356
In furniture	204, 205, or 206
Manufactured into combs	204 (*a*), 205 (*a*), 206 (*a*)
Manufactured into fans	351 (*a*)
Unwrought	201
Bands and wrappers of paper for tobacco, etc	191 (*a*), (*b*), (*c*), or (*d*)
Barbed wire, fencing of	45
Barbers' chairs	208
Bar fixtures	208
Barilla alkalies, oxides, and oxhydrates of	93
Bark:	
For dyeing	86 (*a*)
For tanning	79
Barley and flour of same	292 (*a*) or (*b*)
Barrel or casket (*see* rule 18)	379 (*d*)
Half	379 (*e*)
Quarter	379 (*f*)
Shooks, hoops, and headings for	203 (*b*)
Staves	200
For firearms. (*See* Arms.)	
Bars:	
Of cast iron	31 (*a*)
Of wrought iron or steel	35 (*b*)
Of fine crucible steel	35 (*c*)
Prepared for buildings	41
Baseball:	
Bats	204
Gloves	229 (*a*)
Basins:	
Of clay	19 (*a*) or (*d*)
Of porcelain	21 (*a*) or (*b*)
Of stoneware	19 (*a*) or (*d*)
Of cast iron	31 (*c*), 32, or 33
Of wrought iron or steel	57, 58, or 59
Of copper	69 (*a*), (*b*), or (*c*)
Of tin	72 (*d*)

	Number.
Basins—Continued.	
Of zinc, lead, or other metal	73 (*c*), (*d*), or (*f*)
Of other materials. (*See* Manufactures of component materials.)	
Baskets	213
Bas-reliefs:	
Of marble, jasper, alabaster, or similar fine stones	1 (*c*)
Of fine clay, faience, stoneware, porcelain, or bisque	23
Bath tubs:	
Of tin plate	57
Of common wood	204
Of fine wood	205
Of marble, jasper, alabaster, or similar fine stones	1 (*c*)
Of artificial stone	2 (*d*)
Of zinc, gilt or nickeled	73 (*d*)
Of zinc, neither gilt nor nickeled	73 (*f*)
Of other materials. (*See* Manufactures of component materials.)	
Bats for baseball	204
Battens:	
Molded, varnished, or prepared for gilding	204
Veneered	205
Gilt or carved	206
Batteries, electric:	
Wet, and dry and parts for same	263 (*a*)
Storage	264
Bay rum	105 (*b*)
Beams:	
Of ordinary wood	201 (*a*)
Of cast iron	31 (*a*)
Of wrought iron or steel	35 (*b*)
Beans:	
Fresh	389
Dried	302 (*a*) or (*b*)
Canned or in jars	332
Bearings of copper	67
Bedsteads:	
Of copper and alloys thereof	69 (*a*) or (*b*)
Of cast iron, neither polished nor turned	31 (*c*)
Of cast iron, polished or turned	32
Of cast iron, enameled or gilt	33
Of rush	213
Of wood—	
Common	204
Fine	205
Gilt or carved	206
Of wrought iron or steel tubes—	
Common	58
Fine or finished in brass	59
Beef:	
Fresh	390
In brine or salt	284
Canned or potted	327, 328
Jerked (tasajo)	284
Beer	325 (*a*) or (*b*)
Root beer	325 (*c*) or (*d*)

	Number.
Beets:	
Fresh	389
Canned or potted	332
Pickled	333
Bellows, of leather	238
Bells:	
Of bronze or brass	69 (*a*) or (*b*)
Of other materials. (*See* Manufactures of component materials.)	
Belting, leather, for machinery, finished	271 (*b*)
Belts:	
Waist, of leather	238
Others. (*See* Manufactures of component materials.)	
Bench lathes	271 (*b*)
Bent wood, furniture of	207
Benzine	10
Berlins	272 (*a*) or (*b*)
Berries:	
For alimentary purposes—	
Fresh	388
Dried or desiccated	301
Canned or potted	334, 335, or 336
Pickled	333 (*a*) or (*b*)
For dyeing	86
For tanning	79
Others	81
Beverages, nonalcoholic	325 (*c*) or (*d*)
Bibles, all, free	396
Bicycles:	
Complete, except lamps	267 (*a*)
Detached parts and accessories, including lamps	267 (*b*)
Billheads, surtax on	187
Billiard:	
Chalk	5
Tables and all parts thereof except cloth and balls	209
Bindings for books	189
Birds:	
Poultry and small game (live)	221 (*a*)
Poultry and small game (dead)	283
Singing birds, parrots	221 (*b*)
Biscuits:	
Unsweetened	298 (*a*)
Sweetened	298 (*b*)
Bisque	23
Bits for harness, of iron or steel	49 (*a*) or (*b*)
Bitumens	7
Blacking, of all kinds	89
Blank books	187
Blankets. (*See* Tissues.)	
Blondes. (*See* Tissues.)	
Blotting paper	194
Boards:	
Of cork	211 (*a*)
Of common wood	201 (*a*)
Of fine wood	202 (*a*)
Boiler-makers' wares, of copper and alloys thereof, etc	67

	Number.
Boilers:	
Culinary—	
Of copper and alloys thereof	69
Of wrought iron	57, 58, or 59
Of cast iron	31 (c), 32, or 33
Others. (*See* Manufactures of component materials.)	
For engines	259 (a) or (b)
Bolts:	
Of cast iron	31 (c)
Of wrought iron or steel	47
Of copper or brass	64 (a)
Bone, and compositions imitating:	
Unwrought	355 (a)
Wrought	355 (b)
Bones (as an animal waste)	242
Bonnets	369, 370, or 371
Bookbindings	189
Books:	
Blank	187
Bound or unbound, printed	189
Bound or unbound, in Spanish	188
Domestic, reimported, when free	Sec. 19 (b)
Philosophical and scientific, when free	402
Press copy	195
School, free	396
Boots:	
Gaiter, of calfskin	232
of patent leather	233
Other, fancy, of leather	234
Riding	235
Rubber	373 (a) or (b)
Boots and shoes, leather cut out for, surtax on	227
Borax, hyposulphite of	94 (c)
Boric acid	91 (a)
Boron	90 (b)
Botany, specimens of, for public museums, etc	401
Bottles:	
Of common glass	12
Of crystal, or glass imitating crystal	13 (a), (b), or (d)
For beer, of common earthenware	19 (c)
Of earthenware or stoneware, not painted, gilt, etc	19 (a)
painted, gilt, etc	19 (d)
For household decoration or toilet purposes	16 (a)
Boxes:	
Lubricating, for railway trucks, etc.—	
Of cast iron	31 (b)
Of wrought iron or steel	38 (a)
Of pasteboard	198 (a) or (b)
Of wood—	
Common	204
Fine	205
Gilt, chiseled, etc	206
Wood planed or dovetailed for	201 (b)
Boxing gloves	229 (a)
Bracket lamps, of glass, and parts of	16 (a)

	Number.
Brads:	
Of wrought iron or steel	48
Of copper or brass	68 (*b*)
Of zinc	73 (*c*)
Bran	318
Brandies	322 (*a*) or (*b*)
Fruits preserved in (brandied fruit)	336
Brass (*See* Coppers and alloys of):	
Sheet, pipes of wrought iron or steel covered with	39 (*a*)
Bread:	
Canned, of all kinds	337
Not canned—	
Unsweetened	298 (*a*)
Sweetened	298 (*b*)
Bricks:	
Common, unglazed	17 (*a*)
Pressed, vitrified, or glazed	17 (*b*)
Of asphalt, for paving	7
Bridles	237
Brine, meat in	284
Bristles	154
Brushes of	154 (*a*)
Tissues of. (*See* Tissues.)	
Bristol board (*see* Pasteboard)	197 (*a*)
Britannia metal, not plated (*see* Tin, and alloys of)	72
Broche, or brocaded tissues	Rule 10
Bromides	97
Bromine	90 (*b*)
Bronze. (*See* Copper, and alloys of.)	
Labels printed in	191
Brushes:	
Of hair, or horsehair, or bristles	154 (*a*)
Of vegetable hair	213
Of broom straw	213
Of other materials. (*See* Manufactures of component materials.)	
Buckets:	
Of common wood	204
Of fine wood	205
Of leather	238
Of tin plate	57
Of wrought iron or steel	58 or 59
Of other materials. (*See* Manufactures of component materials.)	
Buckles:	
Of wrought iron or steel	50 (*a*) or (*b*)
Of nickel	71 (*c*)
Of copper	69 (*a*) or (*b*)
Bullets, for firearms	73 (*b*)
Bulls	217 (*b*)
Busts:	
Of clay	23
Of bronze	69
Butter:	
Fresh	348
Imitations of	349
Cocoa	305 (*b*)

	Number.
Butterine	349
Buttons, all kinds, except gold or silver	358

C.

Cabinetmakers, fine wood for	202 (*a*) or (*b*)
Cables:	
For conducting electricity over public thoroughfares	65
Wrought iron or steel	45
Submarine telegraphic	407
Hawsers	142 (*b*)
Cakes, canned	338
Calcium carbide	97
Calendars:	
Advertising, when free	395
Printed	187 or 189
Lithographic	191
Calf skins	226 (*c*)
Calipers	46 (*a*)
Calisaya	99
Calomel	99
Calves	217 (*c*)
Cameos. (*See* Precious stones.)	
Cameras. (*See* Photographic cameras.)	
Lenses for. (*See* Photographic lenses.)	
Camphor:	
Extract of	78
Drug	99
Candles	03
Candlesticks:	
Of crystal, or glass imitating crystal	13 (*a*), (*b*), or (*d*)
Of other materials. (*See* Manufactures of component materials.)	
Candies, of all kinds	344 or 345
Cane:	
In walking sticks and umbrella sticks	356
Unwrought	212
Wrought	213
Canned or potted:	
Breads of all kinds	337
Cakes, puddings, and sweetmeats, not candied	338
Fish and sea food, common	329
Fish and sea food, fine	330
Fruits, known as "pie fruits," in wood	334 (*a*)
known as "canned fruits"	334 (*b*)
known as "preserves or jams"	335
known as "brandied fruits"	336
pickled	333 (*a*) or (*b*)
Meats, common, not spiced	327
fine, spiced, etc	328
Milk or cream, condensed, etc	332
Pickled fruits and vegetables	333 (*a*) or (*b*)
Soups, including clam broth	331
Vegetables	332
Cantharides	99

	Number.
Caoutchouc	77 (*c*)
In rubber hose or piston packing	366 (*a*)
In stuffs	373 (*a*) or (*b*)
In other articles	366 (*c*)
Capers:	
Pickled	333 (*a*) or (*b*)
Fresh	389
Caps:	
For wearing apparel	372 (*a*), (*b*), (*c*), or (*d*)
For firearms	359
Capsules:	
Medicinal	98
For bottles, aluminum or nickel	71 (*c*)
For bottles, tin	72 (*c*)
Carbide, calcium	97
Carbolic acid	92 (*a*)
Carbonate of magnesia	94 (*c*)
Carbonated waters:	
Natural	381
Artificial	325 (*c*) or (*d*)
Carbonic acid, liquid	91 (*b*)
Carbon paper	195 (*c*)
Carbon, prepared for electric lighting	110
Cardboard:	
Boxes of	198 (*a*) or (*b*)
Cases of	363 (*b*)
Traveling bags of	237 (*c*)
Carded cotton tissues	123 (*a*) or (*b*)
Carob beans	317
Cards:	
Playing	367
Printed, surtax on	187
Carpets:	
Of cotton	128
Of jute, hemp, etc	151
Of wool, pure or mixed	157
Carriages:	
Fine coaches and berlins	272 (*a*) or (*b*)
Omnibuses, diligences, Concord, and similar coaches	273
Other common four-wheeled carriages	274
Not specially mentioned	275 (*a*), (*b*), or (*c*)
Automobiles	275 (*d*) or (*e*)
Railway passenger and finished wooden parts	276
Tramway	277
Cars. (*See* Carriages.)	
Carton-pierre (*papier-maché*)	199 (*a*) or (*b*)
Cartridges, loaded or not, for firearms	359
Carts	279
Handcarts	280
Cases:	
Of fine wood or leather	363 (*a*)
Of common wood, cardboard, or wicker	363 (*b*)
For clocks (*see* Component material)	254
In which merchandise has been imported. (*See* Rule 18.)	

	Number.
Cashmere goat, hair of	154
Cash registers	269
Casks in which merchandise has been imported (*see* Rule 18)	403
Casks or barrels	379 (*d*)
Half	379 (*e*)
Quarter	379 (*f*)
Cassimeres	161 or 162
Cast Iron (*see* Iron, cast):	
Malleable, articles of, dutiable as manufactures of wrought iron or steel	
Castile soap (made of olive oil)	104 (*a*)
Cattle, bovine	217
Caustic and barilla alkalies, oxides and oxyhydrates of	93
Caviar	330
Celluloid or imitations of:	
Unwrought	355 (*a*)
Wrought	355 (*b*)
Cement	3 (*a*)
Slabs of	2 (*b*)
Conduits of	2 (*d*)
Ceramic tiles	18 (*a*) or (*b*)
Cereals prepared for table use	297
Chairs (wrought-iron or steel)	42
Chairs:	
Barbers' or dentists'	208
Cast-iron, for railways	31 (*b*)
Wrought-iron or steel, cast in pieces, finished	38
Of bent wood	207
Chalk:	
Crude	3 (*a*)
Billiard, French, red, or tailors'	5
Chamois leather	228
Champagne	323
Chandeliers:	
Of copper and its alloys	69 (*a*) or (*b*)
Of glass or crystal, complete or in detached parts	16 (*a*)
Charcoal:	
In fuel	210
In powder or tablets	99
Chartreuse	322 (*a*) or (*b*)
Charts	190
Cheese	347
Chemical:	
Experts to examine substances in numbers 97, 98, and 99	99 note
Fertilizers	106
Products not specially mentioned	97
Cheroots. (*See* Tobacco.)	
Cherries:	
Fresh	388
Canned or in glass. (*See* Canned or potted fruit.)	
Chickens:	
Alive	221 (*a*)
Dead	283
Canned or potted	327
Chicory	307

	Number.
Chimneys for lamps:	
Of crystal or glass	13
Of porcelain	22 or 23
Chinese:	
Medical preparations and materials	99
Shoes commonly worn by	236 (*b*)
Chisels	46 (*a*)
Chlorates of potash and of soda	94 (*f*)
Chlorides:	
Of gold and silver	96
Of lime	94 (*e*)
Of potassium	94 (*c*)
Of sodium	94 (*a*)
Chloroform	99
Chocolate:	
For manufacturing	343 (*a*)
For table use	343 (*b*)
In candies, sweetmeats, etc	345
Chromo-lithographs used as labels	191
Chronometers	256
Cider, natural or artificial	325 (*a*) or (*b*)
Cigars and cigarettes. (*See* Tobacco.)	
Cigarette paper	196 (*a*), (*b*), (*c*), or (*d*)
Cinchona:	
Bark	81
Alkaloids or salts of	96
Cinnamon:	
First grade	308
Second grade	309
Citrates	95 (*b*)
Citric acid	92 (*a*)
Citron, dried	300–301
Clam broth	331
Clams:	
Canned or in glass	329
Other	290
Clarets	324 (*a*) or (*b*)
Clasp nails:	
Of wrought iron or steel	48
Of copper or brass	68 (*a*) or (*b*)
Clay:	
In common brick or fire brick	17 (*a*)
In bricks pressed, vitrified or glazed	17 (*b*)
In tubes or pipes for drainage	17 (*c*) or (*d*)
In roofing tiles	17 (*c*) or (*d*)
In hollow ware	19 (*a*), (*b*), (*c*), or (*d*)
Fine, in articles	23
Clocks:	
Alarm	254 (*a*)
Common, with weights and springs	254 (*a*)
Tower	255
Wall, works for, finished	254 (*b*)
Works, wrought iron or steel pieces	51
Cases, stands, etc., for. (*See* Component material.)	

	Number.
Clover	318
Seed	317
Cloves	311
Coaches. (*See* Carriages.)	
Coal, colors derived from, for dyeing	87 (*c*)
Cochineal	86 (*c*)
Cocoa:	
Bean, ground or paste	305 (*a*) or (*b*)
Butter	305 (*b*)
Cocoanuts:	
Fresh or dried	76
Oil	100 (*a*)
Export duty	415
Cocoons, silk	170
Codfish:	
Canned or potted	329
Salted	288
Cod-liver oil	101 (*a*)
Coffee	306 (*a*) or (*b*)
Mills	271
Pots—	
Of Britannia metal or pewter	72 (*d*)
Of copper and copper alloys	69 (*a*) or (*b*)
Of wrought iron or steel—	
Common	58
Fine	59
Of tin plate	57
Of nickel and alloys thereof	71
Of gold	27 (*a*)
Of silver	28 (*a*)
Of gold and silver plated ware	29 (*b*)
Coffins:	
Of wood	204, 205, or 206
Of other materials. (*See* Manufactures of component material.)	
Cognac	322 (*a*) or (*b*)
Coins:	
Receivable for duties	Sec. 7
Of gold or silver	386
Of copper returned from foreign countries	Sec. 19 (*c*)
Coke	6
Collars:	
Of celluloid	355 (*b*)
Of other material. (*See* Manufactures of component material.)	
Collections of botany, mineralogy, and zoology, when free	401
Colophony	77 (*a*)
Colors:	
Artificial—	
Of metallic bases	84 (*a*) or (*b*)
Others in powders, lumps, etc	85
Natural, in powder or lumps, ochers, etc	83
Derived from coal	87 (*c*)
Columns:	
Hydraulic	262
Of cast iron	31 (*a*)

	Number.
Columns—Continued.	
Of wrought iron or steel—	
Rough	37 (*a*)
Plainly finished	58
Highly finished	59
Combs:	
Of bamboo	205 (*a*)
Of wood	204 (*a*), 205 (*a*), 206 (*a*)
Of horn or india rubber	352 (*a*)
Of tortoise shell or ivory	352 (*b*)
Component material. (*See* Rules 15, 16, and 17.)	
Compressed-air motors	258
Condensed or concentrated milk and cream	332
Confectionery	344 or 345
Coopers' wares	203 (*a*), (*b*), or (*c*)
Copper, and alloys of (brass, bronze, etc.):	
Articles not specially mentioned, varnished or not	69 (*a*)
Articles not specially mentioned, gilt or nickeled	69 (*b*) and (*c*)
Bars	62
Bearings	67
Boiler makers' wares	67
Cables, conducting, for electricity	65
First fusion	60
Galvanized wire	64 (*a*) and (*b*)
Gauze wire	66 (*a*) and (*b*)
Ingots	61
Musical instruments	245
Nails	68 (*a*) and (*b*)
Old	60
Pens	68 (*c*)
Pins	68 (*c*)
Pipes	67
Plates for fireplaces	67
Rolled in bars	62
Rolled in sheets	63
Salts of	94 (*e*)
Scales (laminæ)	60
Tacks	68 (*a*) and (*b*)
Wind instruments	245
Wire covered with tissues or insulating materials	65
Wire, galvanized	64 (*a*) and (*b*)
Wire gauze	66
Wire, gilt, silvered, or nickeled	64 (*c*)
Copper coins reimported, when free	Sec. 19 (*c*)
Copper ore, free	383
Copra	76
Export duty on	415
Copy books, press	195
Copy of tariff law, evidence	Sec. 22
Coral	354 (*a*) and (*b*)
Compositions imitating	355 (*a*) and (*b*)
Cord	142
Cordage	142
Cordials	322 (*a*) and (*b*)

	Number.
Corduroy, cotton	124
Cork	211 (*a*) or (*b*)
Corkscrews of wrought iron or steel	46 (*a*) or (*b*)
Corn:	
In grain, meal, or flour	293 (*a*) or (*b*)
In cans or jars	332
Cornstarch prepared for table use	297
Corrugated sheets of wrought iron or steel, galvanized or not	36 (*d*)
Corsets. (*See* Component tissue.)	
Corset stiffeners:	
Of steel	58 or 59
Of whalebone	355 (*b*)
Cosmetics	105
Cot beds. (*See* Manufactures of component material.)	
Cottolene	287
Cotton:	
Absorbent	99
Blondes	127
Carded tissues	123
Carpets	128
Corduroy	124
Counterpanes	129
Drawers	125 (*a*) or (*b*)
Galloons	131
Gloves	125 (*c*) or (*d*)
Knitted goods—	
In the piece, undershirts or drawers	125 (*a*) or (*b*)
Stockings, socks, gloves, etc	125 (*c*) or (*d*)
Lace	127
Medicated	99
Piece, twilled goods in	119 or 120
Piqués of all kinds	122
Plush	124
Raw	112
Ribbons	131
Socks	125 (*c*) or (*d*)
Stockings	125 (*c*) or (*d*)
Table covers	129
Tapestry	129
Thread, for sewing, crocheting, embroidering	116
Tissues:	
Called tapestry	129
Carded	123
Counterpanes	121
Plain and without figures	117 or 118
The same tissues printed or manufactured with dyed yarns.	117 (*e*) or 118 (*f*)
Twilled or figured on the loom	119 or 120
The same tissues printed or manufactured with dyed yarns.	119 (*f*) or 120 (*f*)
Velvety	124
Trimmings	131
Tulles	126
For borders	127
Velveteen	412

	Number.
Cotton—Continued	
Waste	112
Wicks for lamps and candles	130
Yarns:	
In hanks, bleached or not	113 (*a*)
dyed	113 (*b*)
In cops, bobbins, or spools, unbleached	114
bleached or dyed	115
Cotton-seed oil	100 (*b*)
Bottled for table use	320
Counterpanes:	
Of cotton tapestry	129
Tissues of cotton for	121
Of hemp, jute, etc	152
Country of origin misrepresented, sec. 5.	
Cows	217 (*b*)
Crackers	298
Cranes, hydraulic	262
Cranks, of wrought iron or steel	38 (*b*)
Cream, condensed or concentrated	332
Creme de menthe	322 (*a*) or (*b*)
Creosote:	
Unrefined	7
Refined	99
Crochet hooks:	
Of wrought iron or steel	53
Of copper or alloy of copper	68 (*c*)
Crowbars	46 (*b*)
Crowns. (*See* Hats.)	
Crucibles of clay or stoneware	19
Crucible steel	35 (*c*)
Tools of, for arts, trades, and professions	46 (*a*)
Crude:	
Fats not specially mentioned	101 (*c*)
Oils derived from schists	8
Oils, mineral, mixed with animal or vegetable oils, destined for lubrication	8
Oils not specially mentioned	101 (*c*)
Material not classified	380 (*b*)
Crystal and glass imitating:	
Artificial eyes	16 (*b*)
Chandeliers or bracket lamps	16 (*d*)
Cut, engraved, or gilt	13 (*a*) and (*b*)
Chimneys for lamps, plain or ground	13 (*c*)
Chimneys for lamps, decorated	13 (*b*)
Electric incandescent lamps	16 (*c*)
Enamel	16 (*b*)
In statuettes, flower stands, vases, and similar articles; the toilet or for use in table service and lighting, house decoration	16 (*a*)
Plate for windows, roofing, or paving	14 (*a*), (*b*), (*c*) or (*d*)
Spectacle and watch glasses	16 (*b*)
Tinned, silvered, or coated with other metals	15 (*a*), (*b*), or (*c*)
Window	14 (*b*) or (*c*)
Cuffs, celluloid	355 (*b*)

	Number.
Curaçao, cordial	322 (*a*) or (*b*)
Currency, receivable for duties	Sec. 7
Curtains:	
Of cotton tapestry	129
Of hemp, linen, jute, etc., tapestry	152
Cut glass, articles of	13 (*a*)
Cutlery, of all kinds	54 (*a*), (*b*), or (*c*)

D.

Dates:	
Fresh	388
Dried	300 or 301
Deals:	
Ordinary wood	201 (*a*)
Fine wood	202 (*a*)
Decanters, of crystal or glass imitating crystal	13
Delicatessen	328 or 330
Demijohns:	
Of clay	19 (*a*), (*c*), or (*d*)
Of glass	12
Dental instruments of wrought iron or steel	54 (*b*)
Dentists' chairs	208
Dentrifices	105 (*b*)
Desiccated fruits not elsewhere provided for	301
vegetables not elsewhere provided for	303
Dextrin	108
Dials for watches	253
Diamonds (*see* Precious stones):	
In the rough, unmounted	393
Unset	24 (*a*)
Diligences	273
Dishes:	
Of clay or stoneware	19 (*b*) or (*d*)
Of faience	20 (*a*) or (*b*)
Of porcelain	21 (*a*) or (*b*)
Of Saxony or Sevres, surtax on	21 (*b*)
Disks, signal	42
Docks, floating. (*See* Tonnage dues, sec. 13.)	
Donkeys	216
Doorknobs, of plain porcelain	22
Doublets:	
Unset	24 (*c*)
In gold jewelry	27 (*c*)
In silver jewelry	28 (*c*)
Dragées, medicinal	98
Drawers, knitted:	
Cotton	125 (*a*) or (*b*)
Linen, hemp, etc	148 (*a*)
Wool	163
Drawing ink	87 (*b*)
Drawings	190
Dredging machinery and apparatus	260

	Number.
Dried:	
Beans, peas, and pulse	302
Fruits	300 or 301
Nuts in natural state, not elsewhere provided for	342
Raisins, dates, figs, and citron	300 or 301
Vegetables	303
Dyes:	
Artificial	87 (*a*), (*b*), or (*c*)
Natural	86 (*a*), (*b*), or (*c*)
Dyed yarns:	
Cotton	113 (*b*) or 115
Tissues of cotton manufactured of	117 (*e*), 118 (*f*), 119 (*f*), 120 (*f*)
Tissues of hemp, linen, etc., manufactured of	143 (*e*), 144 (*g*), 145 (*g*), 146 (*g*)
Dynamite, importation prohibited, when	Sec. 5 (1)
Dynamos	265

E.

Earthenware:	
Household and kitchen utensils	19 (*a*) or (*d*)
Dishes of	19 (*b*) or (*d*)
Common bottles of	19 (*c*)
Flower pots of, common	19 (*c*)
Earths, not specially mentioned, employed in building, manufactures and arts	3 (*b*)
Eggs:	
Fresh	391
Salted or preserved	346
Of silkworm	169
Eider down:	
Feathers	240
Tissue	239
Elastic:	
On cotton tissues	373 (*a*)
On woolen or silk tissues	373 (*b*)
Electric:	
Apparatus and appliances	263
Arc lamps	263
Conducting cables, of copper	65
Fans	263
Insulators—	
Of common glass	12
Of porcelain	22
Lamps, incandescent, glass or crystal	16 (*c*)
Lighting, carbons prepared for	110
machinery for	265
Power and heat, machinery for	265
Stoves	263
Emeralds. (*See* Precious stones.)	
Emery (stone)	3 (*b*)
paper	193
Emulsions	99
Enamel:	
Glass and crystal	16 (*b*)
Other	84 (*a*) or (*b*)

	Number.
Engines:	
Marine	258
Traction	261
Not otherwise provided for—	
Of copper and its alloys	271 (*a*)
Of other material	271 (*b*)
Engravings	190
Envelopes	187
Esparto	212 or 213
Essential oils used for preparing perfumery	105 (*a*)
Etui cases:	
Fine	363 (*a*)
Common	363 (*b*)
Evasion of duties by mixture of materials	Rule 17
Exhibitions:	
Domestic, foreign articles for	406
Foreign, domestic exhibits returned from	Sec. 19 (*d*)
Experts, chemical, to examine products, etc., in numbers 97, 98, and 99.	
Explosives	111 (*a*) or (*b*)
Unauthorized importation, prohibited	Sec. 5 (1)
Export duties	Sec. 12, 410–419
Exported articles returned from foreign countries	Sec. 19 (*e*)
Exports, wharf charges on	Sec. 15
Extracts:	
Of aloes, camphor, or licorice	78
For dyeing, from logwood, archil, and other dyeing extracts not mentioned	87
For toilet use	165 (*b*)
For flavoring	340
For pharmaceutical purposes	99
Of vegetable juices not elsewhere provided for	78
Eyeglasses, glass for	16 (*b*)
Eyes, artificial	16 (*b*)

F.

Faience:	
In dishes or hollow ware	20 (*a*) or (*b*)
In statuettes, flower stands, vases, high and bas-reliefs, toilet articles, house decorations, etc.	23
False teeth	354 (*b*) or 355 (*b*)
Fans:	
Electric	263
Of bamboo, reeds, or other woods, with mountings	351 (*a*)
Of horn, bone, composition, or metal, other than gold or silver	351 (*b*)
Of tortoise shell, ivory, or mother-of-pearl	351 (*c*)
Of kid skin, silk tissue, or feathers	351 (*c*)
Other. (*See* Manufactures of component material.)	
Fats:	
Animal	101
Vegetable	100
Faucets:	
Of wood	204
Of tin or britannia	72 (*d*)
Of brass	69 (*a*) or (*b*)

	Number.
Feathers:	
Dusters of	240
Fans of	351 (*c*)
For ornaments	239
Plumes of	239
Other	240
Feculæ:	
Alimentary	299
Industrial	107
Medicinal	99
Felts:	
Caps of	372
Hats of	370 or 371
Tarred or coated with pitch	361
Woolen	158
Fencing:	
Iron or steel wire, and fasteners for	45
Wooden	203 (*d*)
Fertilizers:	
Artificial or chemical	106
Natural (manures), free	397
Figs:	
Fresh	388
Dried	300 or 301
Figures:	
Offensive to morality	Sec. 5 (2)
Wax, for public entertainment	404
Other (not clothed, etc.)	103
Files, tools	46 (*a*)
For letter	363 (*b*)
Findings of leather, for boots and shoes	227
Fine arts, works of, imported by the Government, academies, etc	399
Firearms	55 or 56
Cartridges for	359
Fire clay, articles of	17
Firecrackers	111 (*b*)
Fire pans:	
Of cast iron	31 (*c*), 32, or 33
Of wrought iron	58 or 59
Of copper	69 (*a*) or (*b*)
Firewood	210
Fireworks	111 (*b*)
Fish:	
Canned or potted	329 or 330
Fresh	289 (*a*)
Roe	330
Salted, smoked, or pickled, not canned	289 (*b*)
Shell, not canned or potted	290
Stock fish	288
Not specially mentioned	289 or 289 (*b*)
Fishhooks	54 (*c*)
Fishing nets	140
Fish plates, of wrought iron or steel	38 (*a*)

	Number.
Flasks:	
Of clay	19
Of common glass	12
Of crystal, or glass imitating	13
Of crystal, or glass imitating crystal, for toilet purposes	16 (*a*)
Of porcelain	21 (*a*) or (*b*)
For toilet purposes	23
Of leather	238
Other. (*See* Component materials.)	
Flavoring extracts	340
Flax:	
Raw or hackled and tow	133
Yarn of	135 or 137
Seed	76
Tissues of. (*See* Hemp.)	
Flock wool	155
Flooring, wood for	201 (*b*)
Floss silks:	
Neither twisted, combed, nor carded	173 (*a*)
Combed or carded, not twisted	173 (*b*)
Twisted, of two or more ends	173 (*c*)
Dyed	174
Tissues of	176
Knitted tissues of	179
Tulles and lace of	180
Flour:	
Of cereals prepared for table use	297
Of corn	293 (*b*)
Of millet	294 (*b*)
Of rice	291 (*c*)
Of wheat, rye, or barley	292 (*b*)
Flowerpots:	
Of common earthenware	19 (*c*)
Of bisque, fire clay, faience, porcelain, or stoneware	23
Flowers, artificial, and parts of	364
Flower stands:	
Of ordinary wood	204
Of fine wood	205 or 206
Of cast iron	31 (*c*), 32, or 33
Of wrought iron	58 or 59
Of brass	69 (*a*) or (*b*)
Of bisque, fire clay, faience, porcelain, or stoneware	23
Of glass or crystal	16 (*a*)
Fodder	318
Foil:	
Of copper	69
gold	27 (*d*)
silver	28 (*d*)
tin	72 (*c*)
Forage	318
Forks:	
Of gold	27 (*d*)
gold, plated	29 (*b*)
Of silver	28 (*d*)
silver, plated	29 (*b*)

	Number.
Forks—Continued.	
Of iron or steel, with common wooden handles	54 (*a*)
Of iron or steel, other	54 (*c*)
Fowls. (*See* Poultry.)	
Free list	Sec. 11
Fresh:	
Eggs, free	391
Fish	289 (*a*)
Fruits, free	388
Garden produce	389
Meats (except poultry and game)	390
Milk	392
Fruits:	
Artificial	364
Brandied	336
Canned	334 (*b*)
Conserved or crystallized	344
Dried or desiccated	300 or 301
Fresh—free	388
Juice of	326
Pickled	333
Pie fruits in wood	334 (*a*)
Preserved in cordials or spirits	336
Preserved in sugar	334 or 335
Fuel, vegetable	210
Furniture:	
Of common wood, neither chiseled, inlaid, nor carved	204
Of common wood, veneered	205
Of fine wood, neither chiseled, inlaid, nor carved, nor ornamented with metal	205
Of bent wood	207
Of any wood chiseled, inlaid, gilt, carved, or ornamented, or upholstered with silk or leather	206
Of reeds, rattan, or cane	213
Household, of immigrants	405
Springs of wrought iron or steel	45
Fuses:	
For fireworks	111 (*b*)
For miners	111 (*a*)

G.

Gaiters:	
Of calfskin	232
Of patent or similar leather	233
Gallnuts	86 (*a*)
Galloons:	
Of cotton	131
Of linen, hemp, etc	153
Of wool	168
Of mixed materials	Rule 7
Distinguished from trimmings	Rule 8
Galvanized:	
Iron or steel sheets for roofing	36 (*d*)
Wire	40 (*a*), (*b*), or (*c*)
Copper wire	64 (*a*) or (*b*)
Galvanometers	263 (*b*)

	Number.
Game:	
Dead, dressed or undressed	283
Live birds	221 (*a*)
Games, except those of gold, silver, etc	367
Garden produce, fresh (free)	389
Gas motors	258
Gasoline	10
Gauze:	
Copper wire	66 (*a*) or (*b*)
Iron or steel wire	44 (*a*) or (*b*)
Gelatin	109
Generators, electric	265
Genista	212 or 213
Gin	322 (*c*) or (*d*)
Ginger ale	325 (*c*) or (*d*)
Ginseng	99
Glass:	
Common hollow glassware	12
Crystal, and glass imitating crystal	13
Cut, engraved, or gilt	13 (*a*) or (*b*)
Enamel	16 (*b*)
Eyes	16 (*b*)
House decorations	16 (*a*)
Imitations of precious stones	26
Incandescent electric lamps	16 (*c*)
Insulators	12
Lamps, bracket or chandelier	16 (*a*)
Mirrors	15
Paving or roofing	14 (*a*)
Plate	14
Spectacles	16 (*b*)
Statuettes, flower stands, vases, etc	16 (*b*)
Table service and lighting	13 (*a*) or (*c*)
Tinned or silvered	15
Toilet articles	16 (*a*)
Wall paper	192 (*c*)
Watch crystals	16 (*b*)
Window	14 (*b*) or (*c*)
Glazed carboard:	
In sheets	197 (*a*)
In boxes and other articles	198 (*a*)
Gloves:	
Baseball and boxing	229 (*a*)
Of skin, other	229
Of other material, see tissue of component material.	
Glucose	304 (*a*)
Glues	109
Glycerin:	
For medicinal use	101 (*b*)
For toilet use	105
Goats	220
Goat skins (*see* Hides)	226 (*b*)
Goggles:	
Set in gold	27 (*d*)
Set in silver	28 (*d*)
Set in other materials	16

	Number.
Gold, or alloys thereof:	
In jewelry, plate, and goldsmith's wares	27 (*a*)
Set with precious stones, pearls, or imitations of	27 (*b*) or (*c*)
In foil	27 (*d*)
In watch cases. (*See* Watch cases.)	
In other articles	27 (*d*)
Plated ware and jewelry	29
Plated ware or jewelry, set with precious stones, jewels, or imitations of	27 (*b*) or (*c*)
Gold:	
Chloride of	96
Ore (free)	383
Bars, sheets, broken-up jewelry, etc. (free)	386
Articles of domestic manufacture and stamp (free)	387
Goods:	
Domestic, returned from foreign exhibitions	Sec. 19 (*d*)
Not specially mentioned	Rules 14, 15, 16, 17
Of two or more materials, or of different parts	Rules 15, 16
Goods, wares, and merchandise not classified	380 (*a*) or (*b*)
Mixed to evade duty	Rule 17
Gouges	46 (*a*)
Grains: Rice, wheat, corn, etc	291–294
Granite in the rough or wrought	2
Graphite:	
Unwrought	3 (*b*)
Prepared in pencils, etc	84 (*b*)
Grates for furnaces, cast iron	31 (*a*)
Grease, axle, for cars and carts	8
Grindstones	2 (*c*)
Gross weight, defined	Rule 20
Gums	77
Gun cotton (pyroxylin)	111
Gunny bags	141
Gunpowder	111 (*a*) or (*b*)
Guns (*see* Arms)	55 or 56
Gut, dried	241
Gutta-percha. (*See* Caoutchouc):	
Raw or melted	77 (*c*)
Rubber hose and piston packing	366 (*a*)
Articles not otherwise provided for	366 (*b*)
Gypsum:	
Unwrought	3 (*a*)
Wrought—	
In statuettes	4 (*a*)
In other articles	4 (*b*)

H.

Hair:	
Raw	154
Spun	156
Tissues of. (*See* Class VI.)	
Human, manufactured into articles	357
Vegetable	212 or 213
Hairpins:	
Of wrought iron or steel	53
Of copper	68 (*c*)
Other. (*See* Component material.)	

	Number.
Halters	237
Hammocks, of hemp	140
Hams:	
Smoked or cured	285
Canned or potted	327
Deviled	328
Hand carts	280
Handles, wooden, for tools	203 (*e*)
Hand paintings (works of art)	394
Hardware, saddlery	49 (*a*) or (*b*)
Harmoniums	244
Harness:	
Draft	237 (*a*)
Carriage	237 (*b*)
Makers' wares	237 (*c*)
Harpoons	46 (*b*)
Harps	245
Harrows	260
Hatchets	46 (*a*)
Hat boxes	237 (*c*)
Hat pins:	
Of wrought iron or steel	53
Of copper	68 (*c*)
Hats, and crowns for:	
Of straw	369 (*a*), (*b*), or (*c*)
Of other materials	370
With milliners' work	371
Hay	318
Headings:	
For bills, invoices, etc	187
Coopers' wares	203
Hectographs	271
Heifers	217 (*c*)
Hemp:	
Raw, hackled tow	132
Carpets of	151
Cordage and ropemakers' wares of	142 (*b*)
Knitted goods of	148
Plushes of	147
Thread	140
Tissues of	143–153
Trimmings of	149 or 150
Tulles	149
Twine, rope, yarn, and cord of	142 (*a*) or (*b*)
Velvets	147
Yarn of	135, 137
Machinery and aparatus for preparing	260
Herring:	
Fresh	289 (*a*)
Pickled, smoked, or salted	289 (*b*)
Canned or potted	329
Hides, skins, and pelts:	
Pelts in their natural state or dressed	222

	Number.
Hides, skins, and pelts—Continued.	
Hides and skins—	
green or not tanned	223
tanned with the hair on	224
tanned without the hair	225
curried, dyed, or not	226
engraved, embossed, or gilt	227
varnished, grained, or dulled	227
chamois leather	228
leather cut out for boots and shoes, etc	227
Hinges:	
Cast-iron	31 (*c*), 32, or 33
Wrought-iron or steel	58 or 59
Copper or brass	69 (*a*) or (*b*)
Hoes	46 (*b*)
Hogs	218
Hogsheads (*see* Rule 18)	379 (*c*)
Wood for	203 (*c*)
Hoisting apparatus and machinery	260
hydraulic cranes for	262
Hollow ware:	
Glass, common	12
Crystal or glass imitating crystal	13 or 16
Clay or stone ware	19
Faience	20
Porcelain	21
Other. (*See* component material.)	
Honey	350
Hooks and eyes:	
Of iron or steel	52
Of copper	68 (*c*)
Hoop iron	36 (*b*)
Hoops:	
Of wood, for casks, etc	203 (*b*)
Of wrought iron or steel	35 (*b*)
Hops	296
Extract of	78
Horn, and imitations of:	
Unwrought	355 (*a*)
Wrought	355 (*b*)
Horn (animal waste)	242
Horse hair	154
Brushes of	154 (*a*)
Tissues of. (*See* Class VI, group 3.)	
Horses	214
Hose:	
Of rubber	366 (*a*)
Of tissue and rubber	373 (*a*)
Hose (footwear). (Tissues.)	
Hot-air motors	258
Household:	
Furniture of immigrants	405
Utensils of clay or stoneware	19 (*a*)

	Number
Hydraulic:	
Cranes and columns	262
Motors	258
Hydrochloric acid	91 (*a*)
Hyposulphite of soda and borax	94 (*e*)

I.

Ice, free	390
Apparatus and machinery for making	260
Imitations:	
Of butter	349
Of lard	287
Of precious stones or pearls, unset	26
Immigrants, household furniture, etc., of	405
Importations from the United States	Sec. 9
Imports, wharf charges on	Sec. 16
Imports of domestic merchandise returned	385
Incandescent lamps	16 (*c*)
Index and repertory (*see* sec. 4, Rule 14)	Sec. 20
India rubber. (*See* Caoutchouc.)	
Indigo	86 (*c*)
Export duty on	411 or 412
Inductors	263
Ingots. (*See* respective metals.)	
Inks:	
Writing, drawing, or printing	87 (*b*)
Lithographic	85
Inorganic acids	91
Salts	94
Instruments:	
Dental	54 (*b*)
Musical	245
Scientific, when free	402
Surgical	54 (*b*)
Other. (*See* corresponding numbers or manufactures of component material.)	
Insular products reimported	Sec. 18
Insulators, electrical:	
Of common glass	12
Of porcelain, plain	22
Intestines, dried	241
Invoices, printed forms for	187
Iodine	90 (*b*)
Iron, cast:	
Articles not coated or ornamented with another metal or porcelain, neither polished nor turned	31 (*a*), (*b*), and (*c*)
Articles of all kinds not coated or ornamented with another metal or porcelain, polished or turned	32
Articles of all kinds enameled, gilt, tinned, or coated or ornamented with other metals or porcelain	33
Bars	31 (*a*)
Beams	31 (*a*)
Boxes, lubricating	31 (*b*)
Chairs for railways	31 (*b*)

	Number.
Iron, cast—Continued.	
Columns	31 (*a*)
Grates for furnaces	31 (*a*)
Plates	31 (*a*)
Pipes	31 (*a*)
Pig	30
Iron, malleable, articles of, dutiable as manufactures of wrought iron or steel. (*See* Régime, Class II, group 2.)	
Soft or wrought, in ingots or "tochos"	34
Sulphate of	94 (*c*)
Iron or steel, wrought:	
Anchors	42
Anvils	43
Arms—	
Fire	55 (*a*), (*b*), or (*c*) or 56
Portable, barrels	55 (*a*) or (*b*)
Side	54 (*b*)
Small	55 (*c*)
Sporting	56
Articles not specially mentioned—	
Common	58
Fine	59
Arts, fine tools and implements for, of crucible steel	46 (*a*)
Axles—	
Bent	38 (*b*)
Straight	38 (*a*)
Bands of polished hoop iron	36 (*d*)
Barbed wire (fencing)	45
Barrels for portable arms	55 (*a*) or (*b*)
Bars of all kinds—	
Fine crucible steel	35 (*c*)
Wrought iron or steel, rolled	35 (*b*)
Beams, wrought iron or steel, rolled	35 (*b*)
Bolts	47
Boxes, lubricating	38 (*a*)
Brads	48
Brass, sheet, pipes covered with	39 (*a*)
Breech-loading firearms and detached parts thereof	56
Buckles	50 (*a*) and (*b*)
Cables	45
Cast in pieces—	
Finished	38 (*a*) and (*b*)
Rough	37 (*a*) and (*b*)
Chains, for vessels or machines	42
Chains, cast in pieces, finished	38 (*a*)
Clasp nails	48
Clock works, pieces of	51
Cold-rolled sheet	36 (*d*)
Corrugated sheets	36 (*d*)
Crochet hooks	53
Cranks	38 (*b*)
Crucible steel, definition of	35 (*c*)
Bars of	35 (*c*)
Fine tools and implements of	46 (*a*)
Cutlery	54 (*a*), (*b*), and (*c*)

Iron or steel, wrought—Continued.

	Number.
Crucible steel, definition of—Continued.	
Dental instruments	54 (*b*)
Discs, signal	42
Fencing (barbed wire)	45
Fine tools and implements for arts, etc	46 (*a*)
Firearms	55 and 56
Fish plates	38 (*a*)
Fishhooks	54 (*c*)
Furniture springs	45
Galvanized sheets	36 (*d*)
Galvanized wire	40 (*a*), (*b*), and (*c*)
Gauze, wire	44 (*a*) and (*b*)
Hairpins	53
Hatpins	53
Hooks and eyes	52
Hoops	35 (*b*)
Hoop iron	36 (*b*)
Polished bands of	36 (*d*)
Implements and tools	46 (*a*) and (*b*)
Iron, soft or wrought, in ingots or "tochos"	34
Ingots, steel in	34
Instruments, surgical	54 (*b*)
Lubricating boxes	38 (*a*)
Manufactures of tin plate	57
Moorings	42
Muzzle-loading guns, and detached parts thereof	56
Nails	48
Clasp	48
Needles	51
Netting	45
Nuts	47
Pens	51
Perforated sheets	36 (*d*)
Pieces, large, in, composed of bars or bars and sheets fastened by means of rivets or screws; the same unriveted, perforated, or cut to measure	41
Pins	52
Pipes	39 (*a*) and (*b*)
Pistols	55 (*c*)
Pocket cutlery	54 (*c*)
Polished sheets	36 (*d*)
Rails	35
Revolvers, also detached pieces	55 (*c*)
Razors	54 (*c*)
Rivets	47
Rods	35 (*c*)
Saddlery hardware	49 (*a*) and (*b*)
Scissors	54 (*a*), (*b*), and (*c*)
Screws	47
Sheets, rolled	36 (*a*) and (*b*)
Side arms, and pieces for same	54 (*b*)
Signal disks	42
Sleepers	38 (*a*)
Soft or wrought in ingots or "tochos"	34

Iron or steel, wrought—Continued.
Crucible steel, definition of—Continued. Number.
Springs—
Cast in pieces, finished, for railways and tramways ..... 38 (*a*)
Other than for railways and tramways ..... 38 (*b*)
Furniture 45
Surgical instruments ..... 54 (*b*)
Switches 42
Tacks 48
Tires ..... 35 (*b*)
Trimmed sheets ..... 36 (*c*)
Tin plate ..... 36 (*c*)
Manufactures of 57
Tools and implements—
For arts, trades, and professions ..... 46 (*a*)
Other ..... 46 (*b*)
Washers 47
Wheels ..... 38 (*a*) and (*b*)
Wire—
Galvanized or not ..... 40 (*a*), (*b*), and (*c*)
Gauze ..... 44 (*a*) and (*b*)
Ivory:
Unwrought ..... 354 (*a*)
Wrought ..... 354 (*b*)
Compositions imitating 355

J.

Jams, canned or in glass 335
Jasmine 81
Oil of 105
Jasper ..... 1 (*a*), (*b*), (*c*), or (*d*)
Jellies 335
Jerked beef (tasajo) 284
Jerseys:
Of linen or hemp ..... 148 (*a*)
Of wool, mixed or not with cotton, or other vegetable fiber 163
Jet:
Unwrought ..... 354 (*a*)
Wrought ..... 354 (*b*)
Compositions imitating 355
Jewelry:
Of gold, platinum, or alloys thereof ..... 27 (*a*), (*b*), or (*c*)
Set with precious stones or pearls ..... 27 (*b*)
Set with doublets or imitation stones, etc ..... 27 (*c*)
Of silver ..... 28 (*a*), (*b*), or (*c*)
Set with precious stones or pearls ..... 28 (*b*)
Set with doublets or imitation stones, etc ..... 28 (*c*)
Gold or silver plated ..... 29 (*a*)
Jewels. (*See* Precious stones.)
Juice of fruit, pure or with only sufficient sugar to preserve it 326
Jute:
Carpets of 151
Cordage and rope makers' wares of 142
Gunny bags 141
Plushes 147

	Number.
Jute—Continued.	
Raw, hackled, or tow	134
Tissues of. (*See* Tissues.)	
Threads twisted, of two or more ends	140
Yarn up to No. 12, inclusive	136
Yarn from No. 13 upward	139
Yarn exceeding No. 1 (*see* Cordage)	142
K.	
Kid	220
Gloves of	229
Skins of	226 (*c*)
Kilogram, weight in pounds avoirdupois	Sec. 8
Kirschwasser	322 (*a*) or (*b*)
Kitchen utensils of clay or stoneware	19 (*a*)
Knitted goods:	
Of cotton	125
Of linen, hemp, etc	148
Of wool, hair, etc	163
Of silk	179
Of mixed materials	Rule 6
Knives. (*See* Cutlery.)	
Cane	46 (*b*)
L.	
Labels:	
Printed	187
Lithographed	191
Laces:	
Of cotton	127
Of linen, etc	150
Of silk	180
Of mixed materials	Rule 6
Lambs	220
Skins of	226 (*c*)
Lampblack	85
Lamps:	
Chimneys for	13 (*a*), (*b*), or (*c*)
Incandescent, electric	16 (*c*)
Bicycle	267 (*b*)
Other. (*See* Manufactures of component material.)	
Wicks for	130
Lanterns. (*See* Lamps.)	
Lard	286
Imitations of	287
Oil	101 (*a*)
Lattice work of wood	203 (*d*)
Lavender	81
Oil	105 (*b*)
Laudanum	99
Lead and alloys thereof:	
In lumps or ingots	73 (*a*)
In bars, sheets, pipes, or wire	73 (*b*)
In articles gilt or nickeled	73 (*c*) or (*d*)

	Number.
Lead and alloys thereof—Continued.	
In nails and tacks neither gilt nor nickeled	73 (*e*)
In nails and tacks gilt or nickeled	73 (*c*)
In shot	73 (*b*)
In type	73 (*f*)
In other articles	73 (*f*)
Lead pencils	84 (*b*)
Leather:	
Cases of	237
Chamois	228
Cut out for boots and shoes, etc	227
Gloves	229
Hat boxes	237 (*c*)
Traveling bags	237 (*c*)
Valises	237 (*c*)
Other manufactures	238
Lenses:	
For cameras and optical instruments. (*See* Photographic lenses.)	
For spectacles or eyeglasses	16 (*b*)
Letter files	363 (*b*)
Letterpress copy books	195
Licorice:	
Root of	81
Extract of	78
Lime:	
Stone	2
Chloride of	94 (*e*)
Common or hydraulic	3 (*a*)
Phosphate of	94 (*d*)
Superphosphate of	94 (*d*)
Linerusta Walton	199 (*b*)
Linen. (*See* Class V.)	
Linoleum (*see* Oilcloths)	362 (*a*)
Liqueurs	322 (*a*) or (*b*)
Liquors:	
Alcoholic	322
Vinous	323 or 324
Malt	325 (*a*) or (*b*)
Liter, equivalent in quarts, wine measure	Sec. 8
Lithographic:	
Inks	85
Stones in the rough	1 (*a*)
slabs or plates, polished or not	1 (*b*)
engraved	1 (*d*)
Lithographs	190
For labels, bands, wrappers, etc	191
Locks. (*See* Component material.)	
Locomotive and traction engines	261
Looking-glasses	15 (*a*), (*b*), (*c*)
Logs of fine wood for cabinetmakers	202
Logwood, extract from, for dyeing	87 (*a*)
Lubricating:	
Boxes of cast iron	31 (*b*)
of wrought iron or steel	38 (*a*)

	Number.
Lubricating—Continued.	
Oils—	
Crude, including crude petroleum	8
Refined, for illuminating or lubricating, including refined petroleum	9
Mixed, crude, for lubrication	8
Substances—	
Axle grease for cars and carts	8
Lumber	201 or 202

M.

Macaroni	299
Mace	312
Machetes:	
For agricultural purposes	46 (*b*)
Others (arms)	54 (*b*)
Machinery:	
Agricultural	260
For dredging	260
hoisting	260
making roads	260
pile driving	260
repairing foreign vessels	409
Not otherwise provided for	271
Machines:	
Automatic slot (unprohibited)	270 (*a*) or (*b*)
Prohibited	Secs. 5, 6
Dynamos, electric	265
Cash registers	269
Sewing	266
Typewriters	268
Weighing	257
Not otherwise provided for	271 (*a*) or (*b*)
Mackerel:	
Fresh	289 (*a*)
Salt, smoked or pickled, not in cans	289 (*b*)
Canned or potted	329
Madder	86 (*b*)
Extract of	87 (*a*)
Magnesia:	
Carbonate of	94 (*c*)
Sulphurate of	94 (*c*)
Magazines, public, free	396
Malleable cast iron, articles of, dutiable as manufactures of wrought iron, Régime Class II, group 2.	
Malt	295
Extract	325 (*a*) or (*b*)
Mandolins	245
Manila paper	195
Manures, natural, free	397
Maps	190
For schools, etc., free	402
Marble	1 (*a*), (*b*), (*c*), or (*d*)
Mares	

	Number.
Marine engines	258
Marmalade	335
Matches	365
Materials, articles of two or more (except tissues)	Rules 15 and 16
Materials, mixed to evade duty	Rule 17
Mattocks	46 (*b*)
Meats:	
Fresh (except poultry and game), free	390
Salted or in brine	284
Canned or potted	327 or 328
Minced or spiced	328
Smoked or cured	285
Medical preparations, Chinese and similar	99
Medicated cotton	99
Medicinal dragées, capsules, and pills	98
Medicinal oils, not refined	101 (a)
Medicinal oils, refined: Such as almond, asafetida, asarum, bay, camphorated, camphor, caraway, castor, celery, cinchona, cod liver, copaiba, coriander, croton, cubeb, ginger, herbane, juniper, lavender, myrrh, pennyroyal, phosphorated, sarsaparilla, senna, tansy, tar, valerian, wax, wormseed, and wormwood	99
Meerschaum:	
Unwrought	354 (*a*)
Wrought	354 (*b*)
Compositions, imitation	355
Merchandise:	
Not specially mentioned	Rule 14
Of two or more materials	Rules 15 and 16
Prohibited	Sec. 5
Not classified	380 (*a*) or (*b*)
Mercury	70
Metal receptacles of imported merchandise; if to be reexported, free	403
Metallic threads, in tissues and trimmings	Rule 12
tissues of	Rule 12
Metals not mentioned, and alloys thereof	73
Meter, equivalent in inches	Sec. 8
Metrical system	Sec. 8
Milk:	
Fresh—free	392
Concentrated or condensed	332
Millet	294
Millstones	2 (*c*)
Mineral:	
Oils	8, 9, or 10
Pitch	7
Waters—	
Natural—free	381
Artificial	325 (*c*) or (*d*)
Wax	102 or 103
Ores	11
Mineralogy, specimens of, when free	401
Miners' fuses, gunpowder, and explosive compounds	111 (*a*)
Mirrors, glass	

	Number.
Mixed tissues:	
Customs treatment of	Rules 3 to 8, inclusive
Admixture of two materials	Rule 3
Admixture of more than two materials	Rule 4
Exceptions as to knitted and netted stuffs	Rule 5
Exceptions as to ribbons and galloons	Rule 6
Exceptions as to trimmings	Rule 7
Of cotton	Class IV, group 3, Rule A
Of hemp, etc	Class V, group 2, Rule A
Of wool, etc	Class VI, group 3, Rule A
Of silk	Class VII, group 2, Rule A
Models for public museums, schools, etc., when free	401
Molasses	350
Moorings for vessels:	
Of iron	42
Of other materials. (*See* component material.)	
Moss, in natural state—free	382
Mother-of-pearl:	
Unwrought	354 (*a*)
Wrought	354 (*b*)
Compositions imitating	355 (*a*) or (*b*)
Motors:	
Compressed or hot air	258
Electric	265
Hydraulic	258
Gas	258
Petroleum	258
Steam (stationary)	258
Mules	215
Musical instruments:	
Pianos	243
Harmoniums and cabinet organs	244
Mechanical music boxes	245 (*a*) or (*b*)
Others	245
Music boxes	245 (*a*) or (*b*)
Mustard	315
Mutton. (*See* Meats.)	
Myrrh	81
Oil of	99

N.

Nails and clasp nails:	
Of copper	68 (*a*) or (*b*)
Of wrought iron or steel	48
Natural:	
Manures—free	397
Mineral waters—free	381
Needles:	
For surgery	54 (*b*)
For sewing machines	51
For sewing or embroidering	51
For crocheting	53 or 68 (*c*)
Of bone	355 (*b*)
Of ivory	354 (*b*)
Nets for fishing	140
Netting, wrought iron or steel	45

	Number.
Net weight defined	Rule 20
Nickel and alloys thereof:	
In bars, sheets, pipes, and wire	71 (*b*)
In foil and capsules for bottles	71 (*c*)
In lumps or ingots	71 (*a*)
In other articles	71 (*c*)
Nippers (tool)	46 (*a*)
Nitrates of potash and soda	94 (*d*)
Nitric acid	91 (*a*)
Nitroglycerin	111 (*a*)
Number of threads in tissues	Rule 1
Numismatical objects for museums, etc	400
Nutmegs	313
Nuts:	
Wrought iron or steel	47
Copper	69 (*a*) or (*b*)
Cocoanuts	76
Conserved or crystallized	344
Dried, in natural state	342

O.

Oats and other cereals not mentioned:	
In grain	293 (*a*)
In meal or flour	293 (*b*)
Oatmeal prepared for table use in small packages	297
Ochers	83
Oilcloths:	
For floors and packing purposes	362 (*a*)
For wearing apparel unmanufactured	362 (*b*)
Manufactured into wearing apparel	362 (*c*)
Other	362 (*d*)
Oils:	
Animal, crude—	
Cod-liver and other medicinal, not refined	101 (*a*)
Glycerine, olein, stearin, and spermaceti, crude	101 (*b*)
Others, crude, not mentioned	101 (*c*)
Animal, refined, not elsewhere provided for	99
Mineral (from schists)—	
Crude	8
Refined, for illumination or lubrication	9
Others, including benzine, gasolene, and vaseline	10
Vegetable—	
Solid (cocoanut, palm, etc.)	101 (*a*)
Liquid (except olive and oils for table use)	100 (*b*)
olive	319
other refined oils in bottles for table use	320
Mixed, for lubricating purposes	8
Medicinal. (*See* Medicinal oils.)	
Essential, for preparation of perfumery	105 (*a*)
For toilet purposes	105 (*b*)
Oilstones:	
In the rough	1 (*a*)
In slabs, polished or not	1 (*b*)
Mounted	1 (*d*)

	Number.
Oleaginous seeds	76
Oleic acid	92 (*b*)
Olein, crude	101 (*b*)
Oleographs, for labels, bands, etc	191
Oleomargarine	349
Olive oil	319 (*a*) or (*b*)
Olives:	
Fresh—free	388
In stone or glass	333 (*a*)
In wood	333 (*b*)
Omnibuses	273
Onions:	
Fresh—free	388
Pickled	333 (*a*) or (*b*)
Opals	24
Opium	80 (*a*) or (*b*)
Orange:	
Fruit, fresh—free	388
preserved. (*See* Canned or potted.)	
oil	105
Berry oil	105
Leaf oil	105
Ores	11
Organic:	
Acids	92
Salts	95
Organs, cabinet	244
Origin, country of, misrepresented	Sec. 5 (5)
Ornaments and trinkets:	
For personal use	353, 354 (*b*), 355 (*b*)
For toilet purposes and house decoration—	
Of glass	16
Fine clay, porcelain, faïence, stoneware, and bisque	23
Of gypsum	4 (*a*) or (*b*)
Others. (*See* Component material.)	
Osiers:	
Unmanufactured	212
Manufactured into articles	213
Oxalates	95 (*a*)
Oxalic acid	92 (*a*)
Oxen	217 (*a*)
Oxides and oxyhydrates:	
Of ammoniac	93
Of potash	93
Of other caustic and barilla alkalies	93
Oysters:	
Canned or potted	329
Other	290

P.

Packages and packing	Rules 18 to 24, inclusive.
Packing:	
For pistons, of caoutchouc or gutta-percha	366 (*a*)
Paper, common	193

	Number.
Pack thread	142 (*a*)
Paintings:	
On canvas or paper, when free	394
Domestic, reimported, when free	Sec. 19 (*a*)
Offensive to morality, prohibited	Sec. 5 (2)
Paints. (*See* Colors.)	
Palm:	
Unmanufactured	212
Manufactured into articles	213
Fans of	351 (*a*)
Oil	100 (*a*)
Palmitic acid	92 (*b*)
Panoramas for public entertainment	404
Paper:	
Pulp for	184
Albumen	195 (*a*)
Bags—	
Of manila	Note to 195
Other	Note to 186
Blotting	194
Carbon	195 (*c*)
Coated with tar, etc., for roofing, etc	361
Common, for wrapping	186
Common packing	193
Cigarette	196
Continuous	185 or 186
For printing, common	185
Glass	193
Manila	195
In bags	Note to 195
Sand	193
Sensitized	195 (*b*)
Straw	19
Toilet	195
Wall	192
Not specially provided for	195
Papier-maché (*see* Carton-pierre)	199 (*a*)
Paraffin:	
Unwrought	102
Wrought	103
Parasols	368
Sticks for	356
Parchment	228
Parrots	221 (*b*)
Passengers' baggage	398
Pasteboard:	
In sheets	197 (*a*) or (*b*)
Manufactured (boxes)	198 (*a*) or (b)
Paste and carton pierre	199 (*a*) or (*b*)
Pastes:	
For soups	299
Papier-maché or carton pierre	199 (*a*) or (*b*)
Paté de fois gras	328

	Number.
Patent leather	
Boots of	227
Gaiters of	234 or 235
Shoes of	233
Paving:	231
Blocks of asphalt	7
of stone, unfinished	2 (*a*)
of stone, finished	2 (*d*)
Slabs of stone	2 (*b*)
of glass for	14 (*a*)
Peaches:	
Fresh	388
Dried	301
Preserved—	
In wood	334 (*a*)
In cans or glass	334 (*b*) or 335
In cordials or spirits	336
Peanuts:	
In natural state	342
Conserved or crystallized	344
Pearls and seed pearls:	
Unset	25
Imitations of, unset	26
Set. (*See* Jewelry; Gold; Watch cases.)	
Pears:	
Fresh	388
Preserved—	
In wood	334 (*a*)
In cans or glass	334 (*b*) or 335
In cordials or spirits	336
Peas:	
Dried	302
Fresh	389
Canned or potted	332
Pelts	222
Pencils, lead or colored	84 (*b*)
Penknives, ordinary	54 (*b*)
Pens:	
Of wrought iron or steel	51
Of copper	68 (*c*)
Of gold	27 (*d*)
Pepper	314
Peppers:	
Fresh	389
Pickled	333 (*a*) or (*b*)
Perfumery:	
Essential oils of balm, bengoin, bergamot, cinnamon, citron, citronilla, clove, cumin, fennel, ginger grass, geranium, hazel, jasmine, jonquil, lemon, lemon grass, lilac, oil of lilies, macassar, migonette, myrtle, nasturtium, orange berry, orange leaf, orange, orris root, patchouly, rosemary, rose, rue, sweet hay, verbena, violet, used in the preparation of	105 (*a*)
Oils, for toilet use	105 (*b*)

	Number.
Periodicals, public	396
Petroleum:	
Crude	8
Refined	9
Motors	258
Pewter (*see* tin and alloys thereof)	72
Pharmaceutical products not specially mentioned	99
Philosophical books, apparatus, etc., when free	402
Phonographs	268
Phosphate of lime	94 (*d*)
Phosphorus	90 (*b*)
Photographic:	
Cameras	374, 375, or 376
Lenses	377 or 378
Paper	195 (*a*) or (*b*)
Photographs	190
Pianos, and strung frames for same	243
Pickaxes	46 (*b*)
Pickled fruits and vegetables	333
Fish, not canned	289 (*b*)
Pictures (except hand paintings on canvas or paper)	190
Pie fruits, in wood	334 (*a*)
Pig iron	30
Pigs	218
Sucking	219
Pile drivers	260
Pillar lamps of crystal or glass	13 (*a*) or (*b*)
Pills, medicinal, except quinine	98
quinine—free	397 (*a*)
Pins:	
Of wrought iron or steel	52
Of copper	68 (*c*)
Of other materials. (*See* component materials.)	
Pine, undressed, common lumber of	201
Pipes:	
Of aluminum	71 (*b*)
Of cast iron	31 (*a*)
Of lead	73 (*b*)
Of wrought iron or steel	39
Covered with sheet brass	39 (*a*)
Other, galvanized or not	39 (*b*)
Pipes, receptacles of wires, etc	379 (*b*)
Half	379 (*c*)
Pistols	55 (*c*)
Pita. (*See* Class V, Hemp, etc.)	
Pitch:	
Mineral	7
Vegetable	77 (*a*)
Paper, felt, etc., covered with, for roofing	361
Placards:	
Printed	190
Lithographed	191
Planes	46 (*a*)

	Number
Plants:	
Natural	382
Artificial	364
Platinum	27
Plows	260
Plug tobacco	380 (*b*)
Plushes:	
Of cotton	124
Of linen, jute, etc	147
Of wool	164
Of silk	181 or 182
Pneumatic tires for bicycles and velocipedes	267 (*b*)
Pomades and cosmetics for toilet use	105 (*b*)
Porcelain:	
In dishes or hollow ware	21
Plain, in door knobs, electric insulators, etc	22
In statuettes, flower stands, etc	23
Saxony and Sevres (surtax on)	21 (*b*)
Pork:	
Fresh, free	390
Salted or in brine	284
Smoked or cured	285
Canned or potted	327 or 338
Posters, advertising, when free	395
Potash:	
Chlorate of	94 (*f*)
Nitrate of	94 (*d*)
Oxide and oxyhydrate of	93
Sulphate of	94 (*e*)
Potassium, chloride of	94 (*b*)
Potted fish, fruits, meats, etc. (*See* Canned or potted food.)	
Poultry:	
Alive	221 (*a*)
Dead, dressed or not	283
Canned or potted. (*See* Canned or potted food.)	
Powders:	
Talcum	105 (*b*)
Toilet	105 (*b*)
Tooth	105 (*b*)
Gun, for mining	111 (*a*)
Gun, for sporting	111 (*b*)
Precious stones:	
In the rough, unmounted	393
Cut, not mounted	24
Mounted in gold jewelry, etc	27
Mounted in silver jewelry, etc	28
In watch cases. (*See* Watch cases.)	
Imitations of, unset	26
Preparations, toilet, not specially provided for	105 (*b*)
Preserves and jams	335
Preserved fruit	334, 335, or 336
Press copy books	195
Primers for firearms	359
Printing inks	87 (*b*)
paper	185

	Number.
Prints	190
Products, domestic, reimported	Sec. 18
Prohibited imports	Sec. 5
Pruning knives and pruners	46 (*b*)
Publications, certain—free	396
offensive to morality	Sec. 5 (2)
Puddings, canned	338
Pulp, for paper	184
Pulse, dried	302
Pumps:	
Steam	258
For salvage of vessels	408

Q.

Quinine, sulphate and bisulphate of—free	297 (*a*)
in pills or capsules—free	397 (*a*)

R.

Rafters, of common wood	201 (*a*)
Rails, of wrought iron or steel	35 (*a*)
Railway:	
Axles, straight, wrought iron or steel	38 (*a*)
Carriages	276
Chains	42
Chairs, wrought iron or steel	38 (*a*)
Fish plates, wrought iron or steel	38 (*a*)
Locomotives	261
Lubricating boxes, cast iron	31 (*b*)
Lubricating boxes, wrought iron or steel	38 (*a*)
Rails, wrought iron or steel	35 (*a*)
Signal discs	42
Sleepers, wrought iron or steel	38 (*a*)
Springs	38 (*a*)
Switches	42
Tenders	261
Turntables	262
Wheels, wrought iron or steel	38 (*a*) or (*b*)
Raisins, dried	300 or 301
Ramie:	
Raw, hackled, or tow	134
Yarn of, up to No. 12, inclusive	138
Yarn of, above No. 12	139
Tissues of. (*See* Tissues.)	
Rasp files	46 (*a*)
Rasps	46 (*a*)
Razors	54 (*b*)
Razor strops of leather	238
Reaping hooks	46 (*b*)
Receptacles	Rules 18 to 24, inclusive
Reeds:	
In natural state	212
In fans	351 (*a*)
In walking sticks, etc	356
Manufactured into other articles	213

	Number.
Refrigerating machinery	260
Reimportation of domestic products	Sec. 18
Repertory and index. (*See* Sec. 4, rule 14.)	
Resins	77
Reviews, public—free	396
Revolvers	55 (*c*)
Ribbons. (*See* Tissues.)	
distinguished from trimmings	Rule 8
Rice:	
Import duty	291 (*a*) or (*b*)
Export duty	413
Flour	291 (*c*)
Machinery for preparing	260
Paper for cigarettes	196
Riding boots	235
Rivets of wrought iron or steel	47
of copper or brass	69
Rods, wrought iron or steel	35 (*b*)
copper	61
Roofing:	
Glass slabs for	14 (*a*)
Paper or felt tarred or covered with pitch, etc., for	361
Root beer	325 (*c*) or (*d*)
Roots for dyeing	86 (*a*)
Rope and cordage	142
Ropemakers' wares	142
Rope yarn	142
Roses, attar of	105 (*a*)
Rouge	105 (*b*)
Rubber:	
Boots and shoes	373
Hose	366 (*a*) or 373 (*a*)
Stuffs, unmanufactured	373 (*a*) or (*b*)
manufactured (surtax on)	373
Other manufactures	366
Rubian	86 (*b*)
Rubies. (*See* Precious stones.)	
Rum	322 (*c*) or (*d*)
Rushes	212 or 213
Rye	292

S.

Sabers	54 (*b*)
Saccharine	339
Sacks, containing goods, free if to be reexported	403
Saddlery and harness	237 (*a*), (*b*), or (*c*)
Hardware	49 (*a*) or (*b*)
Safes:	
Of cast iron	31 (*c*), 32, or 33
Of wrought iron or steel	58 or 59
Of wood	204, 205, or 206
Saffron	81
Sal ammoniac	94 (*d*)

	Number.
Salmon:	
Fresh	289 (*a*)
Salted, smoked, or pickled	289 (*b*)
Canned or potted	329
Sal soda	94 (*e*)
Salt, common, crude	94 (*a*)
ground, powdered, or otherwise manufactured	94 (*b*)
Salted:	
Fish	289 (*b*)
Meats	284
Saltpeter	94 (*d*)
Salts:	
Inorganic	94
Organic	95
Of alkaloids	96
Of ammoniac, not mentioned	94 (*e*)
Of copper, not mentioned	94 (*e*)
Of cinchona bark—free	397 (*a*)
Salvage of vessels, pumps for	408
Samples, free, if not of commercial value	384
Sandals	236
Sandpaper	193
Sardines, canned	329
Sarsaparilla:	
Root	81
Beverage	325 (*c*) or (*d*)
Sassafras	81
Satchels:	
Of leather	237 (*c*)
Of cardboard	237 (*c*)
Sauces and condiments in glass for table use	341
Sausages:	
Canned or potted	327
Other	285
Saws, and blades of	46 (*a*)
Saxony porcelain	21 (*b*)
Scales for weighing	257
Of copper (laminæ)	60
Schists:	
Crude oils derived from	8
Refined illuminating or lubricating oils derived from	9
Refined oils, other, derived from	10
Schoolbooks, free	396
Scientific apparatus and instruments	94 (*a*)
Scientific books, apparatus, etc., when free	402
Scissors:	
Japanned	54 (*a*)
Surgical	54 (*b*)
Other	54 (*c*)
Scoriæ, from smelting ores	75
Scouring compositions, ordinary	104 (*a*)
Screws (threaded nails):	
Of wrought iron or steel	47
Of copper	68 (*a*) or (*b*)

	Number.
Sculptures:	
Of marble, jasper, etc	1 (c)
Of artificial or common stone	2 (d)
Of fine clay, faience, porcelain, etc	23
Of gypsum	4 (a)
Scythes:	
Blades of	46 (b)
Wooden handles for	203 (e)
Seed pearls, unset	25 (b)
Seeds:	
Medicinal	81
Oleaginous	76
Not otherwise provided for	317
Sensitized paper	195 (b)
Sevres, porcelain	21 (b)
Sewing:	
Cases	363 (a) or (b)
Machines	266
Machine needles	51
Needles of wrought iron or steel	51
Shades for clocks	254
Shears (*see* Scissors)	54 (a), (b), or (c)
Sheep	220
Skins curried, dyed, or not	226 (a)
Sheets:	
Of wrought iron or steel	36
Of copper or brass	63
Shell fish:	
Canned or potted	329 or 330
Other	290
Shipbuilding, timber for	201 (a)
Ships	281 or 282
Shoes:	
Chinese	236 (b)
Of cowhide or similar leather	230
Of patent or similar leather	231
Of rubber	373 (a) or (b)
Fancy	234
Not specially mentioned	234
Shooks, coopers' wares in	203 (b)
Shot for fireams	73 (b)
Shovels	46 (b)
Wooden handles for	203 (e)
Sieves:	
Of wrought iron or steel	44 (a) or (b)
Of copper or brass	64 (a) or (b)
Signal discs, of wrought iron or steel	42
Silks:	
Cocoons and waste	170
Spun and twisted	171
Twisted	172
Floss—	
Neither twisted, combed, nor carded	173 (a)
Combed or carded, not twisted	173 (b)

	Number.
Silks—Continued.	
Twisted, two or more ends	173(*c*)
Dyed	174
Tissues of	175 to 183
Knitted	179
Tulles and lace	180
Trimmings	183
Velvets and plushes—	
Of silk	181
Mixed	182
Silkworm, eggs of	169
Silver:	
In ingots, bars, sheets, broken-up jewelry, etc., free	386
In domestic manufactures stamped, etc., free	387
Chloride of	96
In jewelry or plate	28 (*a*), (*b*), or (*c*)
In watch cases	248 or 249 (*a*)
In other articles	28 (*d*)
Ore, free	383
Plated ware	29
Watch cases	249 (*a*)
Silversmiths' wares	28 (*a*)
Singing birds	221 (*b*)
Siphons (of common glass)	12
Skins. (*See* Hides, skins, and pelts.)	
Slate:	
Unwrought	2 (*a*)
In slabs, plates, or steps	2 (*b*)
In billiard tables	209
Wrought into other articles	2 (*d*)
Sleepers or ties:	
Of wood	201
Of cast iron	31 (*a*)
Of wrought iron or steel	38 (*a*)
Spanish books and artistic works, etc	188
Slot machines:	
For gambling, prohibited	Sec. 5 (6)
For weighing	270 (*a*)
Others	270 (*b*)
Smoked:	
Meats	285
Fish	289 (*b*)
Snuff	380*a*
Soap:	
Common, in bars	104 (*a*)
Castile, made of olive oil	104 (*a*)
Ordinary toilet, in bars, cakes, or tablets	104 (*b*)
Fine toilet, fancy, perfumed or not	104 (*c*)
Medicated or medicinal	104 (*c*)
Scouring compositions, ordinary	104 (*a*)
Soda:	
Chlorate of	94 (*f*)
Hyposulphite of	94 (*e*)
Nitrate of	94 (*d*)

	Number.
Soda—Continued.	
Sulphate of	94 (c)
Sal soda	94 (e)
Sodium, chloride of (common salt)	94 (a) or (b)
Solders:	
Lead	73 (b)
Zinc	73 (b)
Soles, leather cut out for, surtax on	227
Soups, canned or potted	331
pastes for	299
Spades	46 (b)
Wooden handles for	203 (e)
Specimens of mineralogy, botany, etc	401
Spectacles:	
Set in gold	27 (d)
Set in silver	28 (d)
Others	16 (b)
Glasses for	16 (b)
Spermaceti, crude	101 (b)
Spices, not specially mentioned	311
Spirits, compounded, not specially mentioned	322 (a) or (b)
Spirits of turpentine	77 (b)
Sponges	82
Spoons. (*See* Table service.)	
Spring scales	257 (c)
Springs:	
Furniture	45
Wrought iron or steel, for railways or tramways	38 (a)
Wrought iron or steel, others	38 (b)
Spurs	49 (a) or (b)
Starch, for industrial purposes	107
corn, for table use	297
Statuettes. (*See* Sculptures.)	
Staves	200
Steam:	
Boilers	259
Motors, stationary	258
Pumps	258
Locomotives and traction engines	261
Stearic acid	92 (b)
Stearin, crude	101 (b)
articles of	103
Steel. (*See* Iron or steel, wrought.)	
Steelyards	257 (b)
Sticks:	
For umbrellas and parasols	356
Sword	356
Walking	356
Stockfish	288
Stones:	
Marble, jasper, and other fine	1
Common and artificial	2
For pavements	2 (a) or (b)
Millstones and grindstones	2 (c)
Precious. (*See* Precious stones.)	

	Number.
Stoneware:	
Household or kitchen utensils, except tableware, plain	19 (*a*)
Dishes and other articles, plain	19 (*b*)
Flower pots and bottles of common	19 (*c*)
Articles, gilt, painted, or ornamented	19 (*d*)
Stoves:	
Electric	263
Of cast iron	31 (*c*), 32, or 33
Of wrought iron or steel	58 or 59
Of tin plate	57
Of copper	69 (*a*) or (*b*)
Straps, leather	238
Straw:	
Fine	212
Manufactures of	213
Hats, bonnets, and crowns of	369 or 371
Caps of	372
Paper	193
Strychnine	96
Submarine telegraphic cables—free	406
Succory root	307
Sugar:	
Raw	304 (*a*)
Refined	304 (*b*)
Of lead	97
Export duty	414
Machinery for making	260
Sulphates:	
Of ammoniac	94 (*d*)
Of iron	94 (*c*)
Of magnesia	94 (*c*)
Of potash	94 (*e*)
Of quinine—free	397*a*
Of soda	94 (*c*)
Sulphur	90 (*a*)
Sulphuric acid	91 (*a*)
Superphosphates of lime	94 (*d*)
Surgical instruments	46 (*a*)
Surtaxes on tissues established	Rule 9
Sweetened bread, biscuit, crackers, etc	298 (*b*)
Sweetmeats:	
Confectionery and candy	345
Conserved or crystallized fruit or nuts used as confectionery	344
Not candied, canned cakes and puddings	338
Switches, railroad	42
Swords	54 (*b*)
Sword sticks	356
Syrup of cane	350

T.

Tabasco sauce	341
Table clocks, works for	254
Tables, billiard	209

	Number.
Table service:	
Knives and forks, iron or steel	54 (*a*) or (*c*)
Dishes—	
Of clay or stoneware	19 (*b*) or (*d*)
Of faience	20 (*a*) or (*b*)
Of porcelain	21 (*a*) or (*b*)
Goblets or tumblers—	
Of ordinary glass	12
Of crystal or glass imitating same	13 (*a*) (*b*) or (*d*)
Cups—	
Of ordinary glass	12
Of crystal or glass imitating same	13 (*a*) (*b*) or (*d*)
Of clay or stoneware	19 (*b*) or (*d*)
Of faience	20 (*a*) or (*b*)
Of porcelain	21 (*a*) or (*b*)
Tablets:	
Paper	187
Medicinal	98
Tacks:	
Iron or steel	48
Copper or brass	68 (*a*) or (*b*)
Tailors':	
Chalk	5
Shears	54 (*a*) or (*c*)
Talcum powder for toilet purposes	105 (*b*)
Tallow	101 (*c*)
Tan bark	79
Tanks of iron or steel	58 or 59
Tapioca	299
Tapestry, tissues called:	
Cotton for curtains, upholstering, etc	129
Linen for curtains, upholstering, etc	152
Tar:	
Mineral	7
Vegetable	77 (*a*)
Tare, method of fixing	Rule 24
Tarpaulins: Coated with sand for vans	360
Tarred felt, paper, etc., for roofing, etc	361
Tartar, cream of	99
Tartaric acid	92 (*a*)
Tartrates	95 (*b*)
Tasajo (jerked beef)	284
Teeth, false	354 (*b*) or 355 (*b*)
Telegraphic:	
Cables, submarine	406
Cables, for conducting electricity over public thoroughfares	65
Tenders (*see* Locomotives)	261
Theaters, portable, temporarily imported	404
Thread for sewing:	
Cotton	116
Linen	140
Silk	173 (*c*)

Tiles:
Common clay— Number.
Unglazed ..... 17 (*a*)
Glazed ..... 17 (*b*)
Ceramic ..... 18 (*a*) or (*b*)
Cement ..... 2 (*b*)
Timber, round, for shipbuilding ..... 201 (*a*)
Tin, and alloys thereof:
In lumps or ingots ..... 72 (*a*)
In bars, sheets, pipes, and wires ..... 72 (*b*)
In foil and capsules for bottles ..... 72 (*c*)
In other articles ..... 72 (*d*)
Britannia metal. (*See* Tin and alloys thereof.)
Tinplate ..... 36 (*c*)
Manufactures of 57
Tires:
Wrought iron or steel ..... 35 (*b*)
For bicycles and velocipedes ..... 267 (*b*)
Tissues:
Cotton—
Plain, unbleached, bleached, or dyed ..... 117 or 118
Printed or manufactured of dyed yarns ..... 117 (*e*) or 118 (*f*)
Twilled or figured, unbleached, bleached, or dyed ..... 119 or 120
Printed or manufactured of dyed yarns ..... 119 (*f*) or 120 (*f*)
Carded (cotton blankets) 123
Velvety, such as corduroys, velveteens, and three-ply plushes 124
Carpets 128
Trimmings, ribbons, and galloons 131
Lace, blondes, and tulles for borders 127
Tulles 126
Wicks for lamps and candles 130
Knitted goods—
Undershirts and drawers ..... 125 (*a*) or (*b*)
Stockings, socks, gloves, etc ..... 125 (*c*) or (*d*)
Tapestry manufactured with dyed yarns for upholstering and for curtains; table covers and counterpanes of same 129
Linen, jute, hemp, or other vegetable fibers—
Plain, twilled or damasked unbleached, or dyed in the piece .... 143, 144, 145, or 146
Bleached, half bleached, or printed .. 143 (*d*), 144 (*f*), 145 (*f*), or 146 (*f*)
Manufactured with dyed yarns ..... 143 (*e*), 144 (*g*), 145 (*g*), or 146 (*g*)
Velvets and plushes 147
Knitted goods, mixed or not with cotton or other vegetable fibers—
In the piece, jerseys or drawers ..... 148 (*a*)
Stockings, socks, gloves, etc ..... 148 (*b*)
Tulles 149
Lace, blondes, and tulles for borders 150
Carpets 151
Tapestry, manufactured with dyed yarns for upholstering and for curtains, figured or damasked; table covers and counterpanes of the same 152
Trimmings, ribbons, and galloons 153

	Number.
Tissues—Continued.	
Wool, bristles, hair, and horsehair—	
Carpets	157
Felts	158
Blankets	159
Hosiery	160
Cashmeres	161
Cloths, cassimeres, and similar tissues of wool, waste wool, hair, or a mixture of these materials	161
Same tissues with warp or weft wholly of cotton or other vegetable fibers	162
Knitted tissues	163
Astrakhans, plushes, wool or hair velvets	164
All other tissues of pure wool, waste wool, hair, or a mixture of these materials	165
Same tissues when the warp or weft is wholly of cotton or other vegetable fiber	166
Bristles or hair	167
Trimmings, ribbons, and galloons	168
Silk—	
Plain or twilled	175
Floss or waste silk, raw silk, and waste silk mixed with silk	176
Silk or waste silk with warp or weft of cotton or other vegetable fibers	177
Same with warp or weft wholly of wool or hair	178
Knitted tissues	179
Tulles and lace	180
Velvets and plushes	181
Same with warp or weft of cotton or other vegetable fibers	182 (*a*)
Same with warp or weft of wool or hair	182 (*b*)
Trimmings	183
Waterproof:	
On cotton or other vegetable tissue	373 (*a*)
On wool or silk tissues	373 (*b*)
Tobacco:	
Imported—	
In the leaf, unmanufactured	380 (*a*)
Manufactured	380 (*b*)
Exported—	
In the leaf, unmanufactured	417, 418, or 419
Manufactured	416
Toilet:	
Articles of fine clay, faïence, etc	23
Cases—	
Of fine wood or leather, etc	363 (*a*)
Of common wood or cardboard, etc	363 (*b*)
Paper	195
Soaps—	
Ordinary	104 (*b*)
Fine, fancy, perfumed or not	104 (*c*)
Tomatoes:	
Fresh, free	389
Canned or potted	332

	Number.
Tonnage dues	Secs. 13 and 14
Tools (not apparatus), of wrought iron or steel	46 (*a*) or (*b*)
Wooden handles for	203 (*e*)
Tortoise shell:	
Unwrought	354 (*a*)
Wrought	354 (*b*)
Composition imitating	355
Tow, tarred or coated with pitch	361
Tower clocks, works for	255
Toys:	
Amber, jet, coral, meerschaum, tortoise shell, or mother-of-pearl	354 (*b*)
Horn, whalebone, celluloid, or bone	355 (*b*)
Compositions imitating the preceding	355 (*b*)
Gold	27 (*d*)
Silver	28 (*d*)
Others	367
Trade-marks, copies or simulations of	Sec. 5 (4)
Trained animals, imported temporarily	404
Tramway carriages or cars	277
Travelers' baggage	398
Traveling bags, of leather or cardboard	237 (*c*)
Trees, shoots, plants in a fresh state	382
Trimmings. (*See* Tissues.)	
Distinguished from ribbons and galloons	Rule 8
Of mixed materials	Rule 8
Trinkets:	
Gold	27 (*a*)
Silver	28 (*a*)
Gold or silver plate	29 (*a*)
Amber, jet, coral, meerschaum, tortoise shell, or mother-of-pearl	354 (*b*)
Horn, bone, whalebone, or celluloid	355 (*b*)
Compositions imitating the preceding	355 (*b*)
Others	353
Trunks:	
Of leather or trimmed with leather	237 (*c*)
Of common wood, covered or not with canvas	204
Of fine wood, covered or not with canvas	205
Tulles. (*See* Tissues.)	
Turntables	262
Tuns, pipes, casks, etc	379
Turkeys:	
Dead	283
Live	221 (*a*)
Canned or potted	327
Turpentine:	
Spirits of	77 (*b*)
Oil of	100 (*b*)
Twine	142 (*a*)
Type (for printing):	
Metal	73 (*f*)
Wood	205
Typewriters	268

U.

	Number
Umbrellas	368
Sticks for	356
Underwear. (*See* Tissues.)	
United States, importations from	Sec. 9
Urns:	
Of marble, jasper, and other fine stones	1 (*c*)
Of artificial and other stones	2 (*d*)
Utensils. (*See* Manufacturers of component material.)	

V.

Valises, of leather or cardboard	237 (*c*)
Vanilla beans	310
Flavoring extract	340
Varnishes	88
Vaseline	10
In small packages for toilet use	105
Vases:	
Marble, jasper, or other fine stones	1 (*c*)
Fire clay, faience, stoneware, porcelain, or bisque	23
Glass and crystal	16 (*a*)
Vegetable:	
Fuel	210
Hair	212 or 213
Flavoring extracts	340
Oils—	
Solid (cocoanut, palm, etc.)	100 (*a*)
Liquid (except olive oil)	100 (*b*)
Simple products employed in pharmacy or chemical industries	81
Wax, unwrought	102
wrought	103
Vegetables:	
Fresh (garden produce)	389
Canned or potted	332
Dried or desiccated	303
Pickled	333
Velocipedes	267
Velveteens. (*See* Tissues.)	
Velvets. (*See* Tissues.)	
Veneers, wood sawn in	202 (*b*)
Vermicelli	299
Vessels:	
Wooden	281 (*a*), (*b*), or (*c*)
Of iron or steel hull	282
Propelled by steam or steam and sail	282 (*a*)
Propelled by sail	282 (*b*)
Chains for, iron or steel	42
Cables for, iron or steel	45
Pumps for, salvage of	408
Machinery for, repair of	409
Tonnage dues	Secs. 13 and 14
Vicuna, hair of	154
Voltmeters	263

W.

	Number.
Wagons	278
Walking sticks	356
Walnuts	342
Wall clocks, works for	254
Wall paper	192
Washers, of wrought iron or steel	47
of copper or brass	67
Waste:	
Cotton	112
Silk	170
Wastes, animal, not specially mentioned	242
of common metals	74
Waterproof and caoutchouc stuffs:	
On cotton tissue	373 (*a*)
On woolen or silk tissues	373 (*b*)
Rubber boots and shoes	373 (*a*) or (*b*)
Waters:	
Aerated	325 (*c*) or (*d*)
Mineral, natural	381
Mineral, artificial	325 (*c*) or (*d*)
Watch cases:	
Gold	246
Gold filled	247
Gold plated	249
Silver or silver plated	249 (*a*)
Steel, nickel, or other metal	249 (*b*)
Of other material	249 (*c*)
Watch movements:	
Men's sizes (above 14 lines)	251
Women's sizes (14 lines or less)	252
Detached parts	253
Dials detached	253
Watches, common, with common movements, not jeweled	250
Wax, animal, mineral, or vegetable:	
Unwrought	102
Wrought	103
Artificial flowers, fruits, etc	364
Figures, imported temporarily	404
Matches	365
Weighing machines	257
Weight, gross and net, defined	Rules 20 and 21
Weights and measures, metrical	Sec. 8
Whalebone:	
Unwrought	355 (*a*)
Wrought	355 (*b*)
Compositions imitating	355 (*b*)
Wheat:	
In grain	292 (*a*)
In flour	292 (*b*)
Cracked, prepared for table use	297
Wheels, wrought iron or steel	38 (*a*) or (*b*)
Whetstones (mounted)	1 (*d*)

	Number.
Whiskies	322 (*c*) or (*d*)
Wicker, cases of	363 (*b*)
Wicks, for lamps and candles	150
Window glass	14 (*b*) or (*c*)
Wines:	
Adulterated, prohibited	Sec. 5 (3)
Sparkling	323
Other	324
Wire:	
Of wrought iron or steel—	
Galvanized or not	40 (*a*), (*b*), or (*c*)
Covered with tissue	40 (*c*)
Gauze	44 (*a*) or (*b*)
Of copper, brass, bronze, etc.—	
Galvanized or not	64 (*a*) or (*b*)
Gilt, silvered, or nickeled	64 (*c*)
Covered with tissues or insulating materials	65
Conducting cables for electricity	65
Gauze	66 (*a*) or (*b*)
Of nickel, aluminum, and their alloys	71 (*b*)
Of tin and alloys thereof	72 (*b*)
Of zinc, lead, and other metals	73 (*b*)
Of gold	27 (*d*)
Of platinum	27 (*d*)
Of silver	28 (*d*)
Wood:	
Staves	200
Ordinary	201
In boards, beams, shipbuilding timber, etc	201 (*a*)
Planed or dovetailed	201 (*b*)
Fine	202
In boards, trunks, logs, etc	202 (*a*)
Sawn in veneers	202 (*b*)
Coopers' wares	203
Fitted together	203 (*a*)
In shooks	203 (*b*)
Hoops and headings	203 (*b*)
Handles for tools	203 (*c*)
Latticework and fencing	203 (*d*)
Common, manufactured into furniture	204, 205, or 206
Fine, manufactured into furniture	205 or 206
Bent, furniture of	207
In barbers' and dentists' chairs	208
In billiard tables	209
In bar fixtures	208
In battons	204, 205, or 206
In fuel	210
In cases	363 (*a*) or (*b*)
In walking sticks and sticks for umbrellas and parasols	356
In matches	365
Woods for dyeing	86 (*a*)

	Number.
Wool:	
Raw	155
Yarns	156
Tissues of. (*See* Tissues.)	
Works:	
For watches, complete	251 or 252
Detached parts	253
For wall clocks, finished	254 (*b*)
Detached parts of iron or steel	51
For tower clocks	255
Of fine art for academies, etc	399
Wrapping paper, common	186
straw	193
manila	195
Writing:	
Cases	363 (*a*)
Inks	87 (*b*)
Paper	187

Y.

Yarn. (*See* Component material.)	
Yellow ochre	83

Z.

Zinc, lead, and other metals, and alloys thereof:	
In lumps or ingots	73 (*a*)
In bars, sheets, pipes, and wire	73 (*b*)
In shot	73 (*b*)
In articles gilt or nickeled	73 (*c*) or (*d*)
In nails and tacks	73 (*d*) or (*e*)
In type or other articles	73 (*f*)
Zoology, specimens of	401

SEC. 21. All existing decrees, laws, regulations, or orders, so far as the same are inconsistent with the provisions of this act, and the tariff and duties, rules and regulations hereby enacted, are to that extent repealed, such repeal to take effect as of the time when said tariff and duties shall go into force and effect.

Nothing in this section contained shall in any way affect any legal proceeding that has been or may be lawfully commenced at any time by reason of any act or omission done or committed before the first day of May, 1901.

SEC. 22. This act shall take effect ———, 1901.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., February 27, 1901.

SIR: Referring to your letter of December 29 last, transmitting a copy of the revision of the Philippine tariff, I am directed by the Secretary of War to inclose herewith proofs of the same, with the changes made in the repertory indicated thereon after careful comparison with the schedules.

Should any of the changes be not approved by you, it is requested that the Department be advised by cable in order that the same may be taken into consideration before official edition is printed.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Twenty-seventh Infantry, U. S. V.,
Chief of Division.

Hon. W. H. TAFT,
President the Philippine Commission, Manila, P. I.

NOTE.—The following correspondence was received by the War Department in response to an invitation for suggestions and recommendations when the customs tariff as proposed by the Philippine Commission was published and circulated in the United States:

THE PHILADELPHIA COMMERCIAL MUSEUM,
Philadelphia, Pa., February 19, 1901.

The SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: A correspondent in the Philippines writes that—

Under the new tariff watch cases will pay duty on their weight, and watch movements on the number of jewels; silver and nickel watches, so much by the piece.

Is this right? If there have been any new rulings affecting the collection of customs in the Philippines will you kindly furnish us with all the data or circulars issued by the War Department on the subject? This institution is in constant receipt of inquiries regarding the tariff on goods shipped to the Philippine Islands, and we should esteem it a favor if you would keep us posted on any changes made or new rulings that may occur.

Very respectfully, yours,

THE PHILADELPHIA COMMERCIAL MUSEUM

THE PHILADELPHIA COMMERCIAL MUSEUM,
Philadelphia, Pa., February 28, 1901.

The SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: Inclosed find copy of letter sent to you February 19. We beg the favor of an early reply. An important shipment is being held awaiting an answer to this inquiry.

Yours, very respectfully,

THE PHILADELPHIA COMMERCIAL MUSEUM.

FEBRUARY 19, 1901.

The SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: A correspondent in the Philippines writes that—

Under the new tariff watch cases will pay duty on their weight, and watch movements on the number of jewels; silver and nickel watches, so much by the piece.

Is this correct? If there have been any new rulings affecting the collection of customs in the Philippines, will you kindly furnish us with all the data or circulars issued by the War Department on the

subject? This institution is in constant receipt of inquiries regarding the tariff on goods shipped to the Philippine Islands, and we should esteem it a favor if you would keep us posted on any changes made or new rulings that may occur.

Very respectfully, yours,

THE PHILADELPHIA COMMERCIAL MUSEUM.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 1, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 19th ultimo, asking for information relative to the duty on watches and watch movements in the proposed tariff for the Philippine Islands.

In reply, I beg to inclose a copy of said proposed tariff, and to request that any suggestions or criticisms you may care to make relative thereto be sent to this Department before April 15 next.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. Vols.,
Chief of Division.

The PHILADELPHIA COMMERCIAL MUSEUM,
Philadelphia, Pa.

NATIONAL ASSOCIATION OF MANUFACTURERS
OF THE UNITED STATES OF AMERICA,
Philadelphia, Pa., March 19, 1901.

Col. CLARENCE R. EDWARDS,
Chief of Division of Insular Affairs,
War Department, Washington, D. C.

DEAR SIR: Will you kindly inform us if it would be permissible for any manufacturer to appear in person to present information bearing on the proposed tariff for the Philippine Islands?

Some of our members have expressed a desire to submit written statements and to explain them in person, believing that in this way it could be made much clearer how the proposed tariff or duty will affect American trade with the Philippines.

One of our members, a manufacturer of watch cases and watches, informs us that the schedule as now arranged is rather confused and complicated, and would very seriously demoralize this particular line of trade in the Philippines, and he says that it is rather difficult to

make the matter entirely clear in a written statement. He would like to submit a statement and explain it in person, if this is practicable. We should be very glad to have you advise us on this point.

Very truly, yours,

EDWARD H. SANBORN,
General Manager National Association of Manufacturers.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 20, 1901.

SIR: I beg to acknowledge the receipt of your letter of the 19th instant, asking whether it would be possible for any manufacturers to appear in person and present suggestions bearing upon the proposed tariff for the Philippines.

In reply, I beg to advise you that written statements by any member of your association will be carefully weighed and considered, but it is not the purpose of the Department to entertain hearings relative to the revision of the Philippine tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. Vols.,
Chief of Division.

EDWARD H. SANBORN,
General Manager National Association of
Manufacturers, Philadelphia, Pa.

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, April 2, 1901.

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: Your esteemed favor of March 1, accompanied by the schedule of the proposed customs tariffs for the Philippine Islands, came duly to hand; but owing to the absence of the writer at that time, and his having been very busy since his return to the office, it has been impossible to take it up for consideration and comment until this time. We now, however, beg to do so.

There are so many things in connection with the tariff as arranged on watches that we feel will seriously militate against the watch manufacturer without in any way increasing the revenues, or, in so far as we can see, benefiting or simplifying the customs department, that it is difficult to set forth all the arguments on this subject in the compass of a letter, though, knowing how impossible it would be for you to give personal hearing to every one who may be interested in the

entire schedule, we will endeavor to set forth at this time a few of the main points, and if our arguments are not sufficiently clear and satisfactory to warrant you in making such changes as we recommend we would ask if it would not be possible for us to be permitted a personal hearing in order that we may more clearly and fully place them before you. There may be reasons unknown to us why what we ask would be impracticable. If so, we would at least like an opportunity of making suggestions, which would bring the tariff within your requirements and yet do away with the most objectionable features in so far as the buyer and seller are concerned.

Our understanding is that the proposed tariff, in so far as watches are concerned, is purely one of revenue, not of protection; therefore, as it appears to us, it is a question of what percentage of tariff and how applied will produce the greatest revenue and at the same time encourage rather than discourage the volume of business.

Rate.—We believe that the rate of tariff which will produce the largest revenue is the maximum percentage which any specified line of goods will stand without decreasing the imports or without creating too strong an incentive for irregular methods in importation. In so far as watches are concerned, from our experience through having been very large exporters in this line for many years past to almost every country on the globe, we feel justified in making the assertion that this rate is somewhere between 10 and 20 per cent, and we base this assertion upon the fact that in all our experience in shipping these goods to various countries there has never been a single instance in which we have been asked to connive at undervaluations or irregular methods in shipping where the duty is upon an ad valorem basis and at a rate of 15 per cent or less, and we believe this will hold good up to 20 per cent, but we do not feel like expressing a positive opinion on that. Now, we have been large shippers to many different countries for many years where there have been ad valorem duties of 5, 7½, 10, 12½, 15 per cent, etc.; we have met competition, not only with the manufacturers of our own country but those in Switzerland, and have succeeded in building up a large and valuable trade in these countries.

We think the fact that we have not been asked to make undervaluations, irregular shipments, etc., to these countries is the strongest possible indication that it has not been indulged in by other shippers or by importers, for the very reason that when it comes to countries where the duty is 25 per cent ad valorem or more or where they have specific duty on watches (except in such countries as Germany, Scandinavia, and others, where they do have a specific duty on watches, but where it is so small that it amounts to practically nothing), then we do very frequently have propositions made to us for undervaluation, irregular methods of shipping, etc., and, in consequence, it is such countries as these that we have never been able to do a satisfactory

business. Watches, as you are aware, are a class of goods comparatively easy to take into a country through underground channels; $1,000 worth can be carried on the person, and when this is the case it is a very different matter from what it is when they are bulky goods. Therefore, while it is possible to affix any rate of duty whatever on watches, it is not always possible to collect it, and if the rate of duty is so high as to make it an incentive to indulge in irregular methods it not only defeats the aim of the tariff in producing a revenue, but it also prevents the manufacturer, who will not become a party to these transactions, from getting his share of the commerce of that country.

We believe these facts are too well known to require further comment on our part. We might merely mention the revenue which this country derived from diamonds during the period of a 25 per cent duty under the Wilson bill, and the revenue which was derived previous to that under a 10 per cent duty, and which has been derived from them since the duty was again reduced to 10 per cent.

The Philippine Islands are so situated as to put them within comparatively easy touch with a number of ports from which watches could be conveniently shipped if the incentive is great enough, and we therefore respectfully ask that in adjusting the duty on this line it be not made at a rate which is so high as to induce this kind of business, and thereby bar out ourselves and many other manufacturers who are to-day establishing a good demand for their goods.

In conclusion, we would state that we believe that an ad valorem duty of 15 per cent on watches would absolutely preclude any attempt at undervaluation or at irregular shipments, and that it would very greatly increase the volume of watch business in that country, as it would permit of good qualities of watches being laid down there at prices which would bring them within the reach of a very large number of people. We are not sure but what 20 per cent ad valorem might operate as satisfactory and produce as large revenue, but of this we do not feel positive, but we do feel very positive as to the 15 per cent.

Ad valorem v. *Specific duty for watches.*—In reading over the proposed schedule we see that it has been the intent of the Commission, in so far as possible, to apply specific duties only. We therefore hesitate somewhat to suggest ad valorem duty on our line, as in so doing it might seem that we are actuated entirely by selfish or ulterior motives in advocating that which is so diametrically opposite to what the Commission have recommended, and we appreciate that the Commission's recommendations on this subject are more entitled to consideration than ours, as they are in a better position to know all the ins and outs of the application and collection of a tariff than we are. However, we think that possibly there are some exceptions to the general rule which they have laid down, and we believe that watches is one of

them. Our understanding of the objection to an ad valorem duty is the danger from undervaluation and the difficulty of obtaining appraisers for the Philippine customs who would be sufficiently experienced and posted to pass upon values. We can quite see that that would be the case in many classes of goods, but on watches it does not seem to us that it applies. In the first place, as we have explained above, we firmly believe that a reasonable ad valorem duty on watches for the Philippines will not induce undervaluation, and we base this upon our own experience in other countries where they have had a similar rate of duty to that which we recommend. We have already gone so fully over this question above that we will not comment on it here.

Then, again, most manufacturers of watches issue illustrated price lists of their goods in which they are so fully described by name or number that it is not a difficult matter for the customs officials to ascertain whether goods are being undervalued on the invoices or not. Another thing, it would be quite risky for a manufacturer to connive with an importer in the Philippines at undervaluation for the reason that the majority of the importers of watches there are comparatively small merchants and shipping is done very largely on a cash basis, and such transactions as these would not offer the same facilities for connivance and fraud as would lines of business which were handled in very large volumes and by concerns of such credit and standing as would make it profitable to the shipper and receiver to enter into these private agreements.

For the sake of argument, let us grant for a moment that ad valorem duties would give opportunity for undervaluation and the difficulties that would exist on the part of the appraisers for detecting same. In what way is this situation improved under the present proposed arrangement of the tariff on watches? On page 40, under the heading of gold watch cases, is given plain cases at the rate of 12 cents per gram; on same page, under heading of gold-filled watch cases is given plain cases at 4 cents per gram. Now, a certain size of 18-karat gold case weighs about 40 pennyweight, or equal to say 60 grams, the duty on that case would be $7.20. We, and many other manufacturers, make gold-filled cases, and a gold-filled case of the same size would weigh about the same; the duty on this, at 4 cents a gram, would be $2.40; there is a difference of $4.80, which would excite the cupidity of anyone who cares to indulge in irregular methods. What is to prevent the shipper of this gold case on which the duty would be $7.20 from conniving with his customers to invoice it for customs purposes as a filled case, and thus come under a duty of $2.40? In many instances there are no special marks or anything in the appearance of these goods which would enable a layman to determine whether it was a solid gold case or a filled case. Of course, this can be determined

by melting the cases up, but those are methods usually only resorted to as a last measure, and the customs officials could hardly make it a rule to melt a case in every invoice that passes through their hands.

We firmly believe that there would be no more trouble in the inspector arriving at the true value of the goods than there would in his being able to tell whether the case was gold or filled, and if this is so, then why adopt a measure for protection which does not protect and which has very many objectionable features in connection with it. This same argument will apply to the movements, where the duty has been adjusted according to the jeweling, running on gentlemen's watches, all the way from 25 cents per watch to $8 per watch. We assume that this arrangement has been suggested as a means of endeavoring to apply the amount of duty according to the value of the article; but this, however, it does not do, for the reason that, for instance watch movements with 7 jewels or less which have been affixed at 25 cents per watch, costs anywhere from $1.25 up to $6; movements with 13 to 15 jewels, to which has been affixed a duty of $1.75, run anywhere in price from about $2 up to $20; therefore, the number of jewels which a watch contains does not indicate its value, so why attempt to adjust a rate per watch according to the jewels when, in reality, it does not necessarily represent the value at all.

The number of jewels which a watch contains is not apparent to the casual observer, and, in fact, can only be ascertained by taking a watch apart, and then it can only be actually told by an experienced watchmaker, as, very frequently, there are two jewels placed together in the same hole, so that to a layman they would appear as one, and yet, technically, they are always counted as two. We therefore think that affixing a specific duty to the movement according to the number of jewels it contains leaves quite as much or more of an opening for fraud than would a plain, straight ad valorem duty, where the only question that could enter into it would be one of undervaluation.

In conclusion under this heading, we would state that we believe a specific duty, as suggested in the proposed schedule, offer more opportunities for fraud than would an ad valorem duty, and would be more difficult of detection on the part of the customs inspectors.

General remarks.—We would like to offer some comments on the subject to the proposed schedule, its objections, the obstructions that it would place upon our business, etc., but these are so numerous that we hardly know which ones to take up without encroaching an unwarranted amount on your time.

By placing a tariff on the case and movement separately, excepting under item 250, which is termed, "Common watches with common movements, not jeweled," we assume that in the case of gold watches and gold-filled watches, owing to the fact that the tariff is assessed upon the weight of the case, it would be the expectation that we should

ship these goods with the case and movement separate. This would entail a very considerable hardship on the manufacturer. It is the custom in all goods sold by this country to foreign markets to sell them as complete watches. Our prices are made up on the complete watch, and they are sold and shipped as a complete article, the movement being put into the case at the factory.

If we were to attempt to ship these goods to foreign countries with case and movement separate, it would be no end of complication and injury to the watches themselves, for the reason that the majority of the merchants in the foreign countries to whom we ship are not sufficiently good watchmakers to put the case and movement together without great risk of injuring the movement. The result would be that our watches, instead of gaining a reputation for their high standard of quality which they have always enjoyed, would be so damaged and mutilated in this handling that we should soon lose that advantage the American manufacturers have been gaining for a number of years over Swiss manufacturers in foreign markets, owing to the fact that when our goods reached the hands of the dealers all that was necessary was to wind them up and they were found in condition of perfect time-keeping.

We therefore very earnestly request that, no matter what may finally be decided upon for the tariff of the Philippines, that it be so arranged that we can ship our goods as a complete article. A good watch movement is too delicate a thing to stand the abuse which it would get if shipped in any other way. On this subject we might also call your attention to the fact that certain Swiss manufacturers would have a very great advantage over the American manufacturer if it were necessary to ship case and movement separately, for the reason that some of the largest importers of watches in Manila are branches of Swiss factories, and thus they might be able to have their goods come out case and movement separate, owing to their having a better class of workmen and being close in touch with their own factory, and they would make more of a success in putting these goods together than would the small dealers and the general stores to whom we have to look, principally, to introduce our goods into that market.

Net weights.—We understand by net weight, as applied to watch cases, that it means the entire watch case free from the movement and free from boxing and packing. This would include not only the actual bullion in the case, but also the springs; the crown, which is a piece of brass with a gold shell over it; the stem, which is a piece of steel, and the glass. Now, the base metal represented by the springs, crown, stem, and glass which is put in gold cases varies all the way from about 1½ pennyweights up to 26 pennyweights, or, say, 3 grams to 39 grams. At the rate of 12 cents per gram, the one with the smaller amount of

base metal in would only be paying 36 cents in addition to the tariff on the actual bullion, whereas the one which contained 39 pennyweights would be paying $4.68 in addition to the actual bullion.

Now, the intrinsic value or selling price of these two cases may be absolutely the same; it is simply that owing to their construction one contains a great deal more base metal than the other without changing its value in any way, and so you can see how unjust it would be to assess the tariff in such a way that it would be $4.32 more on one than on the other, and yet the actual value of the two cases be just the same. It simply means that it would put certain styles of our goods which are now very popular out of the market altogether.

And here again, the Swiss manufacturer would have a certain advantage over us, for, owing to their having branch houses in Manila, they could ship out their gold cases without any springs, crowns, stems, or glasses in them; they would then pay a duty on the actual bullion they contained. These springs, crowns, stems, and glasses could then be sent out separately and come under the heading of material, and then their people there could put them together. This would be an impracticable thing for us or any other American manufacturer to do, or, in fact, any manufacturer, except they had a branch established there with mechanics who were capable of doing this work.

Sizes.—We note that 14 lines has been established as the division between men's and women's sizes of watches, and that a higher rate of duty has been affixed on women's watches by comparison with the same number of jewels in men's watches. Lines (lignes) is a measurement which is used by Swiss watch manufacturers, and is not used by American manufacturers of watches. It would be impossible to grade our sizes by lignes; all the watch manufacturers in this country go by sizes. We have 18 size, 16 size, and 12 size in gentlemen's watches; 6 size and 0 size in ladies' watches. We therefore think that if in the final adjustment in this tariff anything in connection with it refers to size, it should be made to cover the American measurement as well as the Swiss.

Furthermore, in order for the customs inspectors to properly check watch movements of different sizes or lignes would necessitate the movements and cases either being shipped separately or that each one should be taken out of the case to be measured, which would be an impracticable thing to do, and if insisted upon it would be a great detriment and risk to the quality of the goods. Furthermore, we do not believe that anyone but an expert watchmaker could make these measurements.

Jeweling.—We already referred above to the impracticability of grading the tariff according to the number of jewels:

First. Because the number of jewels does not necessarily indicate the cost or relative value of the watch.

Second. Because of the difficulty of the layman determining the actual number of jewels that a watch does contain, in case of any attempted fraud.

We would now mention another inequality which just catches our eye in looking over the schedule, and which is a further indication that this arrangement of the tariff according to the number of jewels and separating the men's and women's sizes does not accomplish what it is intended to do. For instance, we have a 7-jewel ladies' size movement for which we get about $1.68; the duty on this would be 31 cents. We have a 7-jewel gentlemen's size movement which nets $4.40; the duty on this would be 25 cents. We have a 15-jewel ladies' watch movement which nets $3.80, on which the duty would be $2.50. We have a gentlemen's size 15-jewel movement which nets as high as $9.50, on which the duty would be $1.75. Thus you can see how very unjust, according to the values, this schedule is.

Item 250.—There are many cheap metal watches made in Switzerland without jewels which would come under this heading of 25 cents per watch. We make a watch which competes with this, but in our watch we put 7 jewels, and in consequence it must pay 25 cents duty for the movement and 20 cents duty for a metal case, or 45 cents, against the Swiss watch at 25 cents, or, in the ladies' size, in which we also make it, it would have to pay 31 cents on the movement and 20 cents on the case, or a total of 51 cents. We hardly think this is just.

Please understand us that wherever we have made a reference to the Swiss watch manufacturers in this letter we do not in any sense mean to ask for the American manufacturer a single favor which is not extended to a manufacturer of watches in all parts of the world, but we feel that it is the intent of the framers of this tariff to at least give the American manufacturer an equal opportunity of doing business in the Philippines, and that is all that we ask.

Percentage of tariff on gold watches.—In figuring over a number of the principal styles of gold watches which we make, representing a general average through the sizes and qualities, we find that the tariff as proposed figures from 10½ up to 27 per cent. We therefore assume that in compiling this tariff the idea was to make it somewhere around 15 to 20 per cent average, though, in our opinion, it is quite impossible to arrange a specific tariff on watches which will not practically bar out certain lines from the market, owing to the excessive rate at which they are figured. For instance, taking the price on our line of 18-karat solid gold watches, we furnish the same style of case fitted in five different grades of movements. Now, the net selling price of one of these watches is $46.48, and the tariff, calculated on the weight of the case and by number of jewels in the movement, is 22 per cent. The very next watch on the list nets $49.24, an increase of $2.76 in the selling price, and yet the rate of tariff jumps from 22 to 27 per cent.

Now, take another line of gentlemen's 18-karat gold watches which we manufacture. We have one which nets $38.56, on which the duty would be 23 per cent. The next watch in this same line, which is identically the same shape, style, and weight of case, the only difference being in the number of jewels in the movement, sells at net $58.68, and the duty on this drops to 18 per cent. Here are two illustrations of gentlemen's watches right side by side, in one of which an increase of price means an increase of duty of 5 per cent and in the other one an increase in price means a reduction in duty of 5 per cent. Another illustration is in our line of ladies' gold watches. We have one which sells for $18.04, the duty on which figures 10½ per cent. The very next case on the list, which is identically the same case, merely a difference in the movement, sells at $20.72, an increase in price of $2.68, and the duty up to 24 per cent. We could go on indefinitely pointing out these inequalities, but we think these three examples will be sufficient.

Percentage of tariff on gold-filled cases.—In figuring over a few of the staple styles in this line, we find the rate of duty as is proposed in the schedule runs from 19 to 88 per cent, and a large number of our most salable styles in the Philippine Islands to-day are the very ones on which the duty figures 50–60 and 70 per cent, which, as you can readily appreciate, means that at least that feature of our business would be practically killed there. Now, as you are no doubt aware, the manufacture of gold-filled watches is a very important industry in the United States, it represents, perhaps, two-thirds, if not three-fourths, of the business, and these goods are shipped by the American manufacturers all over the world. It is a style of goods which has never been produced successfully in any other country, and we will endeavor to point out to you why it is absolutely impossible to affix a tariff on gold-filled cases by weight. The proposed schedule affixes a duty of 4 cents per gram on gold-filled watch cases. We manufacture five different qualities of gold-filled watch cases.

First quality, guaranteed to wear equal to a solid gold case, which practically means that we guarantee it a lifetime.

Second quality, guaranteed twenty-five years.

Third quality, guaranteed twenty years.

Fourth quality, guaranteed ten years.

Fifth quality, guaranteed five years.

The difference in these cases is, of course, merely in the thickness of the plate of gold which we put on the outside. A case of our first quality and one of our fifth quality of the same size, and made in the same dies, would weigh the same, and yet one of them sells for about $12 while the other sells for about $1.60. You can see how unjust it would be to affix a tariff based on weight on such a line of goods as this. We have during the past year been able to do a very

considerable business in the Philippines on our gold-filled watches, and some of the very styles which we are shipping out by every steamer are such things as this proposed tariff would put a duty of 75 to 85 per cent on. We sincerely trust that you will not do us this injury. Weight of a gold-filled case can not possibly show any relation whatever to value, for, as the quality or the value increases it simply means an increase in the thickness of the plate of gold and a decrease in the plate of composition, and this does not change the weight. We would give you here another example of an opportunity for fraud, and one which we believe would be much more likely to be practiced under this proposed tariff than would there be likelihood of any attempt at undervaluation on invoices under an ad valorem duty. We make a gold-filled watch of a certain size and fitted with a certain grade of movement, the case of which is guaranteed to wear for five years. The net selling price of this watch is $3.44, and, being a filled case, it must, according to this proposed schedule, come under the rate as laid down for filled goods, which makes the duty on this particular watch $2.81, or 82 per cent (we give the percentage in full numbers without bothering with fractions).

This is a very good watch and, owing to the low price at which we sell it, it comes within the reach of a great many people who can not buy a higher-priced article. Now, do you think it just that a watch of this kind should be burdened with an 82 per cent duty, and do you think that it will stand it? We claim that it will not. It either means that the watch must be driven out of the market altogether, or it will be taken into the country in ways by which there will be no revenue derived. Now, we make another watch of exactly the same size, the same identical movement, the cases are made up in the same dies and present the same appearance, except that they are gold electroplated instead of gold filled. These are made up as a cheap article and we do not guarantee them to wear any specified length of time. The selling price of this watch is $2.08, and as they would come in under the heading of plated watches, the duty would be 45 cents, or about 21 per cent instead of $2.81—82 per cent. Now, in appearance these two watches are identically alike, and it is absolutely impossible for a layman to take the two and say which is gold plated and which electroplated. Even with our familiarity with the watch business we could not determine this on finished goods if it were not that we have certain factory marks put on them which indicates it to us. Therefore, what is to prevent this filled watch being invoiced as a plated watch, and thus only pay 45 cents duty instead of $2.81 duty? The price would be no indication whatever, for the reason that we have certain watches with high-grade movements and electroplated cases that run up as high as $20.

Now, when we cite this as a possible, or, more correctly speaking, a

probable, means of deception we speak from experience, for it is a thing of very frequent occurrence for us to have requests from customers in countries where they have excessive specific duties on watches, and where they make a much higher specific duty on a gold-filled watch than a gold-plated one, to have us invoice gold-filled watches as gold plated. It is from our numerous experiences in shipping watches under different conditions and forms of tariff that we feel qualified to recommend that rate and form of application which will come nearest to abolishing all attempts at evasion of duty.

Percentage of tariff on silver watches.—On these we find a variation running from 9 to 28 per cent, with one exception, and that is 41½ per cent. The remarks which we made under the heading of gold watches practically apply here, and we will merely illustrate one more example. In one line of ladies' silver watches, which have been quite salable in Manila, we find the tariff on a certain watch figures 11½ per cent; the very next item in the list, which is identically the same case, and, in fact, is the same watch throughout, with the exception that it has 15 jewels instead of 7 jewels. On the first one the price is $4.84 net, on the second $6.24 net, a difference of $1.40 in the price of the two watches, and yet the duty jumps from 11½ to 42½ per cent.

Percentage of tariff on metal watches.—On these the duty figures from 11 to about 23 per cent. As a further illustration of the inequalities, we would merely refer to one item under this heading. We make a certain electroplated case which we fit up with a certain grade of movement, and we make it in both hunting and open face. The duty as affixed in the proposed tariff would be 11 per cent on the hunting and 15 per cent on the open face. Now, these are identically the same watch as to quality, style, size, etc., both case and movement, with the exception that one is hunting and the other open face.

Conclusion.—By studying over the proposed tariff as it figures on solid gold, silver, and metal watches it would seem, from the fact that the percentage runs anywhere from 9 per cent up into the 20's, we think, that our suggestion of an average 15 per cent is not far amiss from what the framers of this schedule were apparently trying to accomplish.

We manufacture a very large line of watches, representing almost every class of goods which is manufactured anywhere in the world, ranging in price from about $1.90 for a complete watch up to $100. We have thousands of different styles and every conceivable combination of size, quality of case, and quality of movement. Now, this tariff as it is adjusted at present affects us very seriously, as is shown by the fact that it runs from 9 to 88 per cent on different styles of watches. We have been developing a nice business in Manila, where we never did a dollar's worth of business before its occupation by the United States Army. We have been preparing to put forth special

efforts to accomplish still greater results there. This does not mean that we simply expect to get a certain proportion of the business which some one else has had heretofore, and thus not affect the volume of business done in that country, but we believe that we have many lines of goods which have never been known before, and which, when once introduced, would bring desirable watches within the reach of a class of people who never could afford them before.

This tariff as now arranged means, as far as we can see, that we shall have to drop our present plans, and if it does not bar us out of that market entirely it will simply mean that we will drizzle along, doing a little business there of no importance or consequence to ourselves or anyone else. We therefore earnestly and sincerely request of you to abandon this proposed schedule, as far as watches are concerned, and put the goods solely and strictly on an ad valorem rate, in order that every line of watches may stand or fall in that market upon a basis of their own merits and price. Make this ad valorem rate whatever in your judgment is proper and best, but we suggest 15 per cent as that which would bring the best results, not only to the shipper, but also in the way of revenue, and we strongly urge against anything in excess of 20 per cent.

Previous to the Spanish war our goods had a considerable sale in Cuba. At that time, however, we were doing the business entirely secondhand, and had nothing whatever to do with the shipping. After the conclusion of the war we, like many others, looked to Cuba as a possible field for our goods, especially as our goods had been previously known and enjoyed considerable reputation and sale there. We therefore placed a representative in that market with the intention of working it thoroughly and systematically, when, much to our surprise, we were confronted with the fact that in order to do business there we must become a party, along with the consignee, to ways and methods which we are unwilling to undertake.

We thought at first that this was merely the hang over of the old methods and ideas under Spanish rule, and would soon be done away with when it was found by the merchants there that the business could be conducted on the high moral plane which we undertake to follow out in this country. After sticking at it for nearly a year we found in this, however, that we were entirely mistaken, and that we must either adopt their methods or give up all attempts to do business there; being unwilling to do the former, we had no choice but to accept the latter. During the last year we have probably sold less than $150 in Cuba, whereas with our line we should have a business of $30,000 or $40,000 per annum at the very least, if conditions were favorable to our ways of doing business. While we have been compelled to abandon all ideas of doing business in Cuba, we sincerely trust that we will not be placed in the same position in the Philippine Islands, as,

if given a fair field there, where competition is on merit and quality of goods, and not based on ways and means, we, and every other manufacturer of watches in the United States who is doing an export business, can build up an important trade there.

We shall be glad to give you any further information or data which you may desire, and if it is found in your judgment impossible to conform to our suggestion, if we knew what your requirements were, we would endeavor to make suggestions as to ways of adjusting the tariff with the greatest amount of justice to all parties concerned.

Yours, truly,

THE KEYSTONE WATCH CASE CO.,
C. M. FOGG, *Agent.*

P. S.—In this matter we speak for the Elgin National Watch Company, manufacturers of watch movements, as well as ourselves, for the reason that the export business of the Keystone Watch Case Company and the Elgin National Watch Company is conducted together, we handling the business for the two factories, as the export business is done entirely in complete watches. We have not, as yet, had an opportunity of bringing this matter to the attention of the other watch manufacturers in this country, but will endeavor to do so, in order that you may get an expression of opinion from them, if you have not already had it.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 5, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 2d instant, pointing out the inequalities and difficulties found in the proposed Philippine tariff in its effort to assign specific duties on watch cases and movements, and your argument for an ad valorem duty not to exceed 20 per cent of the invoice value of the goods.

In reply I beg to advise you that your statements, which appear clear and explicit and which will doubtless be of much value when the final revision of the tariff is taken up by the Department, will be given careful consideration.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. Vols.,
Chief of Division.

C. M. FOGG,
Agent, Keystone Watch Case Company, Philadelphia, Pa.

PHILADELPHIA WATCH CASE COMPANY,
Riverside, N. J., April 4, 1901.

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: We have had brought to our attention by the Keystone Watch Case Company, Philadelphia, a letter addressed to you, under date of April 2, on the subject of the proposed tariff on watches for the Philippine Islands.

After having read over carefully all that they have had to say on this subject, we find that it covers the topic so fully that there are no other points which we would attempt to bring up at this time, but would merely state that we concur in every particular with all that the Keystone Watch Case Company has had to say, and we believe, as they do, that anything in the way of tariff on watches, except an ad valorem tariff, would work to the disadvantage of both watch manufacturers and watch importers, and also that it would complicate rather than simplify the collection of duty by the custom-house, as we believe it impracticable to apply a specific duty to watches in such a way as to be at all just to the goods themselves without greatly increasing the opportunities for fraud. We would also respectfully urge that in addition to adopting an ad valorem duty that the rate of this duty should not be made above 15 per cent, as we believe that that rate will encourage importation, remove incentive for smuggling, and would thus produce the greatest amount of revenue to the custom department.

Our export branch is a very important feature of our business, the Keystone Watch Case Company and ourselves being perhaps the largest exporters of watches in the United States. Their business is done in conjunction with the Elgin National Watch Company; thus they represent the largest watch-case and largest watch-movement factory in the United States, and our export business is done in conjunction with the Waltham Watch Company and New York Standard Watch Company. Our line, manufacture of cases, being graded very similar to that of the Keystone Watch Case Company, as is also the line of goods manufactured by the Waltham Watch Company, about parallel with that manufactured by the Elgin National Watch Company, so that all they have to say regarding prices, variations of rate of duty, etc., practically apply to our goods as well as theirs.

Yours, truly,

PHILADELPHIA WATCH CASE COMPANY,
Per F. ZUCHNY, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 8, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 4th instant, in which you indorse the argument forwarded to this department by the Keystone Watch Company relative to the proposed tariff for the Philippine Islands on watch cases and movements, in which an ad valorem duty is urged.

In reply I beg to advise you that this subject, and all communications relating thereto, will be carefully considered when the final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

PHILADELPHIA WATCH CASE COMPANY,
Riverside, N. J.

KEYSTONE WATCH CASE COMPANY,
New York, April 9, 1901.

Senator T. C. PLATT,
49 Broadway, City.

DEAR SIR: I inclose you a letter addressed to myself, and also one to the Division of Insular Affairs at Washington, D. C. The latter may be much longer than you care to read, but if you will kindly read the letter addressed to myself, it will give you an idea as to what this corporation, which I have the honor of representing, desires to have done.

I do not like to trouble you in this matter, but the time is very short in which action must be taken in this affair, as I understand the War Department will decide upon the 15th.

This is a question of vast importance affecting the great watch industry of this country, which at the present time is progressing by leaps and bounds in the foreign markets of the world, and any such act of legislation as this by the War Department is going to work great havoc to the watch-exporting industry of our country.

You will see that the Elgin Watch Company, of Elgin, Ill., is associated with us in this matter, and these two concerns represent many millions of dollars, and this matter of export trade is becoming one of great importance to us, as you will understand.

I wish, if it is possible, that you would look over as much of this correspondence as you can and let me know at once if you are in a position to help us any in this matter, and what you would advise us to do.

I shall leave the city on Thursday evening, and should there be anything about this matter that you would like to see me in regard to, if you will kindly have me called up on the 'phone (No. 619 Cortlandt) I will come at once to see you.

Of course, Senator, this is nothing in any way connected with politics, but is a matter of business which the Keystone Watch Case Company would like to have your assistance in.

Thanking you in advance for your kindness, I am,

Yours, etc.,

Col. JOHN L. SHEPPARD.

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, April 8, 1901.

Mr. JOHN L. SHEPHERD,
No. 23 Maiden Lane, New York, N. Y.

DEAR JOHN: In accordance with my conversation with you on Saturday, I inclose you herewith copy of the letter which I addressed to the Division of Insular Affairs, War Department, Washington, D. C., upon the proposed new tariff on watches in the Philippine Islands. You can readily see in reading this over how very unfair the proposed tariff, as it applies to watches, is to the watch business in general, and the American watch business in particular, in that the duties are so affixed as to make it almost an impossibility for anyone to do business in watches there, unless they are willing to engage in irregular methods of shipment. There are impossibilities as well as possibilities in connection with a tariff on watches, and one of these impossibilities is to collect a tariff which is so abnormal as to create a sufficient incentive for smuggling. Our understanding is that in the formation of this tariff it has been the desire and intention of the Commission to so arrange it as to encourage importation, and while the American manufacturer does not ask any favor which is not extended to the manufacturers of the world, still we are quite sure that it was not their intention to so adjust it as to give foreign manufacturers an advantage over American manufacturers, and at the same time produce a sufficient revenue for the running of affairs in that country.

I was informed that the manufacturers would not be granted personal interview with the committee in charge of this matter at Washington, and therefore I covered the matter as fully as possible in my letter. The contentions which we make are these:

First. A specific duty as applied to watches is an unfair and an impractical thing; hence, we ask for an ad valorem duty.

Second. A duty beyond a certain percentage can not be assessed on watches without causing a large percentage of the business to be handled in irregular ways, by which the customs department will

receive no benefit, and the manufacturer who will not indulge in these methods is injured.

In my letter to the War Department I could not very well fix upon a certain percentage for the duty, for the reason that I was not sufficiently familiar with the ideas and requirements of the committee to know just what would be best or what would be a necessity. I therefore set forth my ideas as to what sort of duty watches would stand under general conditions, and while I have mentioned 20 per cent as a maximum, I do not by any means mean to convey the idea that we believe that a 20 per cent duty is the proper one, either from the manufacturers' standpoint or from a question of revenue, as we do believe that 20 per cent duty will, to a certain extent, restrict consumption, and thereby restrict revenue, but we stated that as a maximum, because we preferred as a last resort to accept that in preference to such an arrangement as is proposed by the Commission; 10, 12½, or 15 per cent is what we would like.

Now, this matter is one of very grave importance, not only to us, but to every person interested in the manufacture of watches in this country. Can not you bring this matter to the attention of Senator Platt and ask of him in behalf of the watch manufacturing industry of this country to loan his very valuable assistance to the extent of speaking a favorable word in behalf of our request to whomsoever in his judgment it may be most desirable?

Yours, truly,

C. M. FOGG.

THE KEYSTONE WATCH CASE CO.,
Philadelphia, April 18, 1901.

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: Referring to our letter of April 2, and the personal interview had with Col. C. R. Edwards, we beg to submit herewith certain exhibits which will demonstrate the impracticability of a specific duty on watches for the Philippine Islands.

First. It is proposed to affix the duty on gold and gold-filled watches on a basis of weight, and the gram is taken as the basis. In the United States the gram is not used as a weight in measuring gold and silver in the manufacturing business. We use Troy measure—grains, pennyweights, and ounces. Our gold and gold-filled watches are not sold by weight, but in the calculation of cost in factories the pennyweight is used as the standard. A pennyweight is equal to 1.55517 grams. Now, while it would be possible for us to find out the weight in pennyweights of all of our cases and reduce this to grams, you can see what an endless amount of detail it would force upon us, especially as every case would have to be weighed separately, for in a thousand watches,

all practically the same style and size, there would still be sufficient variation in the weight of the cases, of a few pennyweights or a few grams, to make it necessary for the shipper to weigh up every individual piece. The same amount of detailed work would be necessary in the custom-house in order to verify the accuracy of the shipper's figures. Besides, as it is almost an absolute necessity for the movement and case to be shipped together as a complete watch, the officials in the custom-house would have to take these movements out of the cases in order to arrive at the weights of the cases. By the time they had taken a movement out of a case and put it back again, we believe the watch would be of very little value; and to any manufacturer who desired to build up a reputation and business there upon the merits of his goods, there would be very little inducement for him to undertake it.

Second. It is proposed to affix the duty on watch movements according to the size measured in lignes. "Lignes" is a standard of measurement used only by the Swiss manufacturers, and not by the manufacturers in the United States. We understand that the object of this was to make a distinction between gentlemen's watches and ladies' watches. According to the custom of manufacturing in this country, we make gentlemen's watches in 18-size, 16-size, and 12-size, and ladies' watches in 6-size and 0-size. Now, it is almost impossible to make a comparison of the sizes made in the United States with the Swiss lignes; besides, it is quite a customary thing for us to take, say a 6-size movement, and fit it into a 6-size case, thus making a lady's watch, and to take the same 6-size movement and fit it into a case that is spread to 12-size, and thus make a gentleman's or boy's watch; so that under the proposed duty this movement would pay one rate if fitted in a 6-size case, and another rate if fitted in a 12-size case, which certainly does not seem just. We think for a person to occupy the position of inspector in the custom-house there he would have to be pretty well posted in the watch business in order to pass properly upon the thousand and one complications that would arise in connection with a specific duty on watches.

Third. It is proposed to affix a duty on watches according to the number of jewels which they contain. We assume that the intention in this has been to regulate the amount of the duty in proportion to the cost of the movement, on the assumption that the number of jewels regulates the cost. This, however, is not the case. For instance, the 7-jewel movements made in this country run anywhere in price from $1 to $5; 15-jewel movements run anywhere from, say, $3 to $15, and so on through the other number of jewels. Or, in other words, the number of jewels which a watch contains does not necessarily indicate the price at all, and we believe that affixing the duty on the number of jewels contained in the watch would open up great possibilities for

fraud. No one except a thoroughly practical watchmaker can tell how many jewels there are in a watch, and such a person could only tell it after having taken the watch movement apart; therefore, in order to have any check whatever on this in the custom-house, it would be an absolute necessity to take every watch to pieces which passes through the custom-house, which, of course, is altogether out of the question, and yet unless that were done the manufacturer who was unwilling to bill his goods falsely would have no protection whatever.

In support of this assertion we beg to quote here an extract from a letter which we have just received from a customer of ours in Manila:

> It is already six months they have talked about the change of duty, but there is nothing absolutely positive about it, and while they say here the new tariff will take effect in May, I doubt it. The difference will be very great in some grades. Are your 15-jewel movements such as must be legally considered as such? We, of course, do not want to do anything illegal, but this jewel business might be stretched by the manufacturers, and as the duty will be according to the number of jewels, we must know precisely how things stand, so that we can look into the matter and see what we can do about it.

You will clearly see by this what we are going to be asked to do if the duty should go through on its present basis, and if they are already beginning to figure on these matters, if they sit down to study the matter seriously it will not take them long to find almost unlimited ways of evading the duty on watches if they are put on a specific basis.

Fourth. We beg to quote here from a letter just received from our agent in Chile:

> Do not in future place the cards giving descriptions in packages. The law does not require them, and our customers request not to have them put in. Our custom-house people here are very ignorant about the materials used in making watch cases, and our customers are not interested in teaching them the difference between an electro-plated and a gold-filled case. Electro cases pay duty of 90 cents, Chilean currency, and gold filled pay duty of $9, Chilean currency.

This refers to a printed card, which it has been our custom to put in shipments to Chile, on which is given the number of watches of each different quality which the package contains, as in Chile they have a specific duty, and it varies according to the quality of the goods.

It is quite manifest that our effort in this instance to assist the custom-houses in identifying the goods and properly affixing the duties are not appreciated by our customers in that country.

Now, will not the same condition exist in Manila? We make gold-plated watches and gold-filled watches. It is proposed to affix a duty on gold-plated watches of 25 cents for each case; on gold-filled watches it is proposed to affix a duty of 4 cents per gram on the net weight, which would make it somewhere about $2.50 for a gentleman's size of case. Do you not think that a difference of $2.25 will be a very strong incentive for the importers to endeavor to pass gold-filled watches as gold-plated watches? There is no way for the customs inspector to

identify one from the other unless he melts them down to find out the actual construction of the case. In outward appearance they are the same and they will both stand acid.

The same trouble will arise between solid gold watches and gold-filled watches. The former are expected to pay a duty of 12 cents per gram and the latter 4 cents per gram. There is nothing to distinguish one from the other and the appraiser must be governed by the statement of the shipper or the importer unless, of course, he resorts to the extreme measure of melting up the goods to find out what they are.

Fifth. In our letter of April 2 we explained the impracticability of shipping our watches with cases and movements separate. This would be a very serious disadvantage to us and to every other manufacturer of watches in the United States, though if the tariff should be enacted so that the duty on cases was based on weight and that on movements based on size and number of jewels, this would seem to be a necessity, or, at least, if they were not shipped separate, then the custom-house would have to take them apart when they arrived in order to verify the measurements, number of jewels, weights, etc. There are some manufacturers of watches in the United States, like the New England Watch Company of Waterbury (formerly the Waterbury Watch Company), who make a line of watches in which the movements and cases are inseparable and are not interchangeable like our goods, therefore it would seem not only impracticable, but impossible, for these people to ship their movements and cases separately, and yet they are making gold and gold-filled watches. We understand that they have a man now on his way to Manila with the intention of locating there, and we think such a tariff would make their venture a failure.

Exhibit A.—We show here a calculation of the percentage of duty as it would be under the proposed tariff on different qualities of our gold-filled watches, all of the same size and fitted with the same grades of movements. In explanation of this we would state that we manufacture four different grades of gold-filled cases, guaranteed twenty-five years, twenty years, ten years, and five years, respectively. We take for this illustration an 18-size hunting case in each of the 4 different qualities, fitted with the 6 different grades of movements which we make in that size. We give our net selling price, after taking off all discount, and below each item we give the percentage of duty as it would figure according to the proposed rate. The cheaper grades of cases weigh just as much as the better grades, therefore the percentage of duty runs up very rapidly. According to this calculation, the percentage runs from 26 per cent on a Boss 14-carat filled case with Overland movement up to 79 per cent on a Bee Hive case with America movement.

We would also call your attention to the fact that the Bee Hive case with America movement figures 79 per cent and the Bee Hive case

with No. 96 movement figures 64 per cent duty. Now, the America movement and the No. 96 movement are both 7 jewel, but one of them is a better grade and higher price than the other. This is an illustration that an attempt to equalize the duty by affixing it upon the number of jewels does not accomplish that result. Another illustration is as follows:

Bee Hive case with— Per cent.

No. 96 movement (7 jewel) pays 64

No. 169 movement (15 jewel) pays 74⅓

No. 144 movement (17 jewel) pays 52¼

	America.		No. 96.		No. 169.		No. 144.		Overland.		F. T.	
	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.
Boss 14 carat filled, 18 size, hunting, guaranteed 25 years	$8.76	P. ct. 32	$9.60	P. ct. 29¼	$11.00	P. ct. 39¼	$14.40	P. ct. 33⅓	$18.56	P. ct. 26	$22.32	P. ct. 33⅓
Boss 10 carat filled, 18 size, hunting, guaranteed 20 years	7.16	39¼	8.00	35	9.40	45¼	12.80	37½	16.96	28¼	20.72	36¼
Cyclone filled, 18 size, hunting, guaranteed 10 years	4.36	64¼	5.20	54	6.60	65¼	10.00	48	14.16	34	17.92	42¼
Bee Hive filled, 18 size, hunting, guaranteed 5 years	3.56	79	4.40	64	5.80	74¼	9.20	52¼	13.36	44¼	17.12	44¼

Gold-filled watches are a very important item of manufacture in this country, and are not made successfully, or to any extent, in other countries. They were almost unknown in the Philippine Islands, until after we began shipping American watches there, subsequent to the occupation by the United States Army. They have been accustomed there to solid gold watches, which were only within the reach of a limited number of people. Outside of that they had nothing in the way of a substitute for a solid gold watch except the cheapest kind of brass.

You can readily see that if gold-filled watches are given a fair show there, that is, such as are manufactured in this country, it will bring a good article within the reach of such a large number of people that it will very greatly increase the business.

As an illustration, our Bee Hive case, which has all the appearance of a solid gold case, and which we guarantee not to wear through the gold in five years, fitted with an American movement, or a No. 96 movement, we can sell at about $3.50 to $4.50. With a 10 per cent ad valorem duty they could be laid down in Manila and sold at retail at a price that would bring them within the reach of such a large number of people that it would naturally result in greatly increasing the consumption and the importations.

Exhibit B.—We here show a calculation of the percentage of duty as it would be under the proposed tariff on different sizes of silver watches, fitted with any of the different grades of movements which are made in each size. This shows a variation of from 9¼ per cent on a 12-size hunting silver case with No. 253 movement up to 44 per cent on a 6-size hunting silver case with No. 133 movement.

	No. 14.		No. 152.		No. 153.		No. 154.		No. 155.		No. 156.	
	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.
Silver, hunting: 16-size	$5.28	P. ct. 9¼	$7.08	P. ct. 28¼	$10.68	P. ct. 23¼	$14.08	P. ct. 17¼	$18.68	P. ct. 13¼	$34.68	P. ct. 18

	No. 253.		No. 187.		No. 188.		No. 189.		No. 190.	
	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.
Silver, hunting: 12-size	$5.40	P. ct. 9¼	$8.84	P. ct. 22¼	$11.88	P. ct. 21	$16.44	P. ct. 25¼	$36.56	P. ct. 17

	America.		No. 117.		No. 133.		No. 109.		No. 130.		No. 174.	
	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.	Net price.	Duty.
Silver, hunting: 6-size	$4.00	P. ct. 14	$4.84	P. ct. 11¼	$6.24	P. ct. 44		P. ct.		P. ct.		P. ct.
0-size							$5.16	10¼	$7.84	35	$9.96	34¼

By making a comparison of the first two items on this list you will see that the 16-size case with No. 14 movement (7-jewel) is 9½ per cent and the same case with No. 152 movement (15-jewel) is 28¼ per cent. The 16-size case with No. 152 movement is one which we have had quite a large sale for in Manila, and if it must pay a duty of 28¼ per cent, against 9½ per cent for the same case with a movement one grade below, it would certainly kill its sale.

There are many other inequalities in the rates according to this list which are too apparent to need any special comment.

Our general lines of solid gold watches, metal watches, electroplated watches, etc., all show similar inequalities, and we shall not take up your time by giving you an unnecessary amount of figures here.

Exhibit C.—We here show two of the many different styles, shapes, and weights of crowns which we use on gold cases, and which in no way influence the price of the watch, but it is merely regulated by the style of case.

Sometimes we make the case very close to the movement in order to get it as small as possible, using a small pendant and bow, and in order to keep everything uniform and in good proportion we use a crown similar to the small one here shown. Then we may case another movement of exactly the same size and grade in a case that is very much spread in diameter, so as to give it a large and bulky appear-

ance, and in order to preserve the proper proportions we use a crown like the larger one. The small crown weighs 1¼ pennyweights and the large crown 5¼ pennyweights, or, say, about 2 grams and 8 grams, respectively. Now, as the crown goes into the weight of the case in figuring the duty, according to the proposed rate of 12 cents per gram, it would mean about 24 cents on the case with the small crown and 96 cents on the case with the large crown, or a difference of 72 cents, without any change in the cost or value of the watch whatever.

Exhibit D.—We here show two different styles of springs which we use, according to the different shapes and styles of cases. In a small, contracted case we may use the small pair of springs, which would weigh about 2½ grams, and in another style and shape of case we might use the larger springs, which would weigh about 20 grams. Figured on a basis of 12 cents per gram, it would make a watch with the large springs pay about $2.10 duty more than the other one, without any difference whatever as to the value or cost of the article.

Exhibit E.—We here show two different weights of glasses which we use, according to the style of the case. The thinner glass would weigh about 6 grams and the thick one about 15½ grams, so that the case with the thick glass would cost about $1.26 more duty than the watch with the thin glass. It would not seem just that one watch should have to pay more duty than another simply because of some little difference of shape or style, when there is no difference in actual value or price, any more than that a light suit of clothes should pay more duty than a dark one, or a hat with a round crown should pay more duty than one with a flat crown.

In conclusion, we would once more respectfully request, in behalf of the American watch industry, that you affix an ad valorem duty on watches. And we believe that the rate which will produce the greatest amount of revenue is 10 per cent, as we consider that that rate will enable watches to be laid down in Manila so that they can be sold at prices which will bring them within the reach of a vast number of people who never had them before. And we also believe that a 10 per cent duty will practically do away with any attempt whatever at undervaluation or smuggling, as our experience in other countries has taught us that these irregularities are only indulged in when the duty is such as to make the temptation too great to be withstood.

Yours, very truly,

THE KEYSTONE WATCH CASE CO.,
C. M. FOGG, *Agent.*

P. S.—We are sending you, under separate cover, a copy of our export catalogue, which we thought might be of some interest and assistance to you in this matter. You will see by this catalogue that our line of manufacture is a very extensive one, covering, as it does,

every quality of watch case from 18 karat solid gold down to electro-plated ones, fitted with a variety of grades of movements in all the different American sizes.

THE K. W. C. Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 22, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 18th instant, your catalogue, and certain exhibits relative to the necessity of making an ad valorem rate for watch cases and movements in the new tariff for the Philippine Islands.

In reply I beg to advise you that your communications, catalogue, and exhibits have been filed with your former statements and will be given careful consideration when the final revision of the tariff is taken up by the Department.

Very respectfully, CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry,
U. S. V., Chief of Division.

C. M. FOGG,
Agent Keystone Watch Case Company,
Philadelphia, Pa.

ILLINOIS MANUFACTURERS' ASSOCIATION,
Chicago, Ill., April 18, 1901.

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: Representing as we do, through their membership in our association, some of the largest watch movement and case manufacturers in this country, who are vitally interested in the exporting of watches to the Philippine Islands, we must object to the new proposed specific schedule of insular customs tariff. We can not too strongly urge in place of this the adoption of an ad valorem duty on watches of not over 10 per cent.

We understand this question has been ably set forth to the War Department in a communication from the Keystone Watch Case Company, of Philadelphia, Pa., under date of the 2d instant, and appreciating that their arguments are sound and logical and based upon facts and figures, we wish to indorse their final recommendation, that the duty should not exceed 10 per cent, believing that this would produce the greatest amount of revenue by largely increasing the exportation of watches to the Philippine Islands.

Respectfully, yours,

ILLINOIS MANUFACTURERS' ASSOCIATION,
MARTIN B. MADDEN, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 22, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 18th instant, urging the adoption of ad valorem in place of specific duties for watch cases and movements in the new tariff for the Philippine Islands, and indorsing the argument filed with the Department by the Keystone Watch Company.

In reply, I beg to advise you that your communication and all others relating to the same subject will be given careful consideration when the final revision of said tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

MARTIN B. MADDEN,
President Illinois Manufacturers' Association, Chicago, Ill.

NEW YORK, *July 10, 1901.*

SECRETARY OF WAR,
Washington, D. C.

SIR: We would thank you to inform Mr. I. Beck, 17 State street, New York City, the duties on watches to Philippine Islands.

If the new tariff has been published we would be obliged to you to forward same to Mr. Beck, informing him at the same time when the new tariff goes into effect. If you can not send him the new tariff he wishes to know the new duties on watches.

We are, most truly, yours, R. R. FOGEL & Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 12, 1901.

GENTLEMEN: By direction of the Secretary of War I have the honor to advise you, in compliance with the request of R. R. Fogel & Co. of the 10th instant, that the present rate of duty on watches imported into the Philippines is as follows:

	United States currency.
Gold watches, each	$3.25
Watches of silver or other metal	1.34

The Philippine tariff, however, is now being revised, and watches, watch cases, movements, and parts will be assessed for duty at 20 per cent ad valorem when the new tariff goes into operation.

Very respectfully,

C. R. EDWARDS, *Chief of Division.*

Mr. I. BECK,
17 State street, New York City.

JERSEY CITY, N. J., *April 6, 1901.*

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: We take this opportunity of addressing you on the subject of the proposed tariff for the Philippine Islands as it applies to watches.

We are manufacturers of watch movements, and our goods have been largely exported for many years. At the present time we are doing our export business in conjunction with a watch case manufacturer, owing to the necessity for furnishing to the export trade a watch complete.

We have read over copy of a letter which was addressed to you on this subject by the Keystone Watch Case Company, Philadelphia, under date of April 2, and we fully concur in all they have to say in that letter as regards the desirability of an ad valorem tariff instead of specific, as a specific tariff on watches is an impracticable thing to adjust. We also believe that the rate of duty, 15 per cent, as suggested by the Keystone Watch Case Company, is a fair and equitable one for all parties concerned.

Trusting that their recommendations will have your careful consideration, and that you may see your way clear to conform to same, we are,

Yours, very truly,

NEW YORK STANDARD WATCH CO.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 9, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 6th instant, indorsing the statements forwarded to this Department by the Keystone Watch Case Company, advocating an ad valorem rather than a specific duty for watch cases and movements in the new Philippine tariff, and that said duty be not more than 15 per cent.

In reply, I beg to advise you that your letter and all other communications on the subject will be given careful consideration when the final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

NEW YORK STANDARD WATCH CO.,
Jersey City, N. J.

NATIONAL ASSOCIATION OF MANUFACTURES
OF THE UNITED STATES OF AMERICA,
Philadelphia, Pa., April 5, 1901.

DIVISION OF INSULAR AFFAIRS, WAR DEPARTMENT,
Washington, D. C.

GENTLEMEN: We have had opportunity to examine a communication addressed to you by the Keystone Watch Case Company, members of this association, having reference to the duty on watch cases and movements and similar articles, as contained in the proposed tariff for the Philippine Islands.

As a very careful exposition of this subject from the standpoint of manufacturers who are perfectly familiar with the subject discussed, we commend to your kindest consideration the statement that has been presented to you by the Keystone Watch Case Company.

We are interested as an association in seeing the tariff of the Philippine Islands adjusted in such a manner as to deal most fairly and equitably with every branch of trade. We do not ask for any special favors for any of our members, nor for American manufacturers as a whole, but we believe that it is the earnest desire of your Department (as it is our own) that the tariff, when put into operation, will be of such a character as to leave the least possible opportunity for complications fruitful of injustice either to the exporter from this country or to the importer in the Philippines.

We believe that you can rely with perfect confidence on the statement presented to you by the Keytone Watch Case Company, and we believe that their representations are entitled to your most careful consideration.

We venture to express the hope, therefore, that the facts they have laid before you will be of assistance and guidance to you in so modifying the proposed Philippine tariff as to give to the islands a perfect and just system of assessing and collecting duties upon imported goods.

Respectfully, yours,

NATIONAL ASSOCIATION OF MANUFACTURERS.
EDWARD H. SANBORN, *General Manager.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, April 8, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 5th instant, commending to the consideration of the Department the statement forwarded, under date of April 2, 1901, by the Keystone Watch Case Company, relative to the advantage of an ad valorem duty in place of the specific duty as prescribed in the proposed tariff for the Philippine Islands.

In reply I beg to state that this subject, with all communications relating to the same, will be carefully considered when the question of final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

NATIONAL ASSOCIATION OF MANUFACTURERS,
Real Estate Trust Building, Philadelphia, Pa.

NEW YORK, *July 11, 1901.*

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: We take the liberty of inviting your attention to paragraph No. 247 of the proposed customs tariff for the Philippine Archipelago, which, we believe, will tend, unless amended, to operate to the prejudice of manufacturers of watch movements and watch cases in the United States. Said paragraph imposes duties of 13 cents per gram on gold-filled watch cases set with precious stones and 4 cents per gram upon others. The manufacture of gold-filled watch cases is almost wholly an American industry. These cases are made of two plates of gold with a composition between, and are guaranteed to wear for a specific period, from five years upward, according to the quality. They are sold at a price per case and not according to weight, as are gold and silver watch cases. There are six regular sizes, and the hunting vary in weight from about 9 to 36 grams. The minimum duty under paragraph No. 247 would therefore range, approximately, from 36 cents to $1.40.

Our experience has convinced us that there is substantially no sale for ladies' watches in the above-mentioned territory. We should say that the average weight of the gold-filled cases shipped from the United States to the Philippines is 25 grams, calling for a duty of $1.

Paragraph No. 249 provides a specific duty of 25 cents each upon watch cases of silver, or plated with gold or silver. Inasmuch as in some instances gold-filled cases are not readily distinguished from electroplated cases, we are of the opinion that under the foregoing provisions unscrupulous persons sending gold-filled cases to the Philippine Archipelago would be tempted to declare them electroplated. Furthermore, there are many watch cases made, the center and the outside of the backs of which are covered with a thin sheet of gold, while the inside of the backs, the cap, and bow are electroplated. These especially might often be entered as electroplated cases.

The American Waltham Watch Company does not manufacture watch cases of any kind, but we are moved to address you upon this

subject from our interest as manufacturers and exporters of watch movements, all movements that we have sold through our representatives in the Philippine Archipelago having been fitted into American-made cases. We would therefore respectfully recommend either (1) in lieu of a specific duty per gram upon gold-filled watch cases, a specific duty per case, as imposed upon silver or electroplated cases under paragraph No. 249; or (2) a specific duty per gram upon electroplated cases, instead of a specific duty per case, as covered by said paragraph.

Respectfully, yours,

ROBBINS & APPLETON.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 20, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 11th instant, relative to the manner of treating watch cases and watch movements in the proposed Philippine tariff.

In reply I beg to advise you that this matter has received careful attention by the Department, and it has about been decided to put watches, cases, and movements on an ad valorem basis, the same not to exceed 20 per cent and not to be less than 15 per cent, it having been found impossible to draft a specific schedule that would be just to all classes of merchandise of this character.

Very respectfully,

C. R. EDWARDS, *Chief of Division.*

ROBBINS & APPLETON,
No. 21 Maiden Lane, New York City.

ILLINOIS WATCH CASE CO.,
New York Office, July 25, 1901.

WAR DEPARTMENT.

GENTLEMEN: Please send us a list of the duties now imposed upon watches and watch cases sent to the Philippine Islands; also the proposed list, and greatly oblige,

Yours, truly,

ILLINOIS WATCH CASE CO.,
BENNETT.

Please send to New York office, 9, 11, 13 Maiden Lane.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 27, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 25th instant,

asking for the rate of duties imposed upon watch cases and movements sent to the Philippines, and also the proposed rate.

In reply I beg to advise you that the present tariff imposes a duty of $3.25 United States currency upon gold watches and $1.34 upon watches of silver or other metals, no provision being made for cases imported without movements. The revised tariff has been sent to the Philippines for approval, and while still open to cable suggestions and changes from the Philippine Commission, it has about been decided to place an ad valorem rate on watch cases and movements, which perhaps will not exceed 20 per cent.

Very respectfully. CLARENCE R. EDWARDS,
Chief of Division.

ILLINOIS WATCH CASE COMPANY,
9, 11, 13 Maiden Lane, New York City.

THE KEYSTONE WATCH CASE COMPANY,
Philadelphia, October 30, 1901.

Col. CLARENCE R. EDWARDS,
Division Insular Affairs, War Department,
Washington, D. C.

DEAR SIR: I have just returned to the office after five months' absence in Europe looking after our business over there, and I find on my desk copy of the revised customs tariff for the Philippines, by which I learn that the Department decided to accept the recommendation for ad valorem duty on watches, and on behalf of the American manufacturers of watches I desire to express my appreciation which our recommendation on this subject has received.

Without any intention whatever of making complaint, I can not but express regret that the Department could not see its way clear to accept the recommendation for a minimum rate of 10 per cent instead of maximum rate of 20 per cent, as I am still firmly of the opinion that a smaller rate would have produced just as large revenue and at the same time have advantaged the manufacturer.

On this subject, I inclose herewith copy of an article which appeared in the London Daily Mail, October 11, relative to the new proposed tariff for Australia, which I thought might be of interest to you. Please note the last clause, as regards what it has to say about 25 per cent duty on watches being too great a premium on smuggling.

The house of Messrs. S. Hoffnung & Co., who are quoted as responsible for the statements of this article, are one of the oldest and perhaps the largest Australia merchants in London, and while dealing in most lines of goods, they are and have been for many years the largest importers of watches in Australia, so that they should be in

position to know whereof they speak. I sincerely trust, however, that time will demonstrate that it requires more than 20 per cent duty to corrupt the morals of a Filipino.

I notice by section 23, page 47, that the act is to take effect November 15, 1901. I should be glad if you would advise me as to just what interpretation will be placed on this. Does it mean that it will apply to any goods arriving in Manila or other ports of the Philippines on or after November 15, or is it meant goods leaving port of origin November 15?

I should like to be advised definitely on this point, so that I may be able to write our people in Manila just exactly about what they may expect.

Yours, very truly,

THE KEYSTONE WATCH CASE CO.,
C. M. FOGG, *Agent.*

[Daily Mail, Friday, October 11, 1901.]

BRITISH TRADERS ALARMED—SERIOUS RESULTS OF THE AUSTRALIAN TARIFF.

English merchants who trade with Australia are up in arms against the commonwealth tariff. This is not to be wondered at when the fact is considered that they send yearly to Australia goods to the value of over £20,000,000, upon which such prohibitive duties have now been placed as will assuredly greatly decrease the trade.

One of the directors of Messrs. S. Hoffnung & Co., a firm which does a very large business with Australia, yesterday declared that the duties are excessive, that they are too drastic for immediate application, and that they will seriously cripple and disorganize the trade.

Apart from its effect on English merchants, the new tariff is considered as an attempt to promote exotic Australian industries which can not flourish in a country with a sparse population.

"The general effect in Australia," declared the representative of Messrs. Hoffnung, "will be to increase the prices of all commodities consumed by the laboring classes, and particularly the agricultural communities.

"As regards Great Britain, it is an ingracious act, tending to greatly restrict the business of English manufacturers, to the advantage of their foreign competitors.

"The chief anxiety of English firms," he continued, "is to have the matter promptly settled. It is unlikely that the tariff bill will be passed as it now stands, and this uncertainty is the cause of enormous trouble and confusion. According to the law the tariff commenced on the day of its publication, and the new duties have to be paid on all goods arriving in Australia. Possibly remission will be obtained on goods contracted for previous to the promulgation of the tariff, but in the meantime the duties must be collected.

"In most recent cases contracts have been made with due allowance for an expected tariff, clauses being inserted to cover the possibility of high duties. But considerable confusion and uncertainty exist on all hands, and the situation is one that calls for immediate decision.

"In conclusion, consider the premium that is placed on smuggling by such duties as 25 per cent ad valorem on watches, and the inducement to other kinds of fraud, such as false declaration of value."

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., October 31, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 30th instant, thanking the Department for arranging an ad valorem basis for watches in the new Philippine tariff, expressing regret that the rate was fixed at 20 per cent, and asking for an interpretation of section 23, page 47, of the same.

In reply your attention is invited to section 3, page 5, of the same act, which states that goods in transit at the time the new tariff goes into effect—i. e., November 15, 1901—may be entered under the provisions of the law existing at the time of shipment, provided they reach their port of entry within sixty days after November 15, 1901.

After full consideration it was decided to place the rate at 20 per cent and trust to the vigilance of the customs authorities to prevent illicit trade.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

Mr. C. M. FOGG,
Agent The Keystone Watch Case Company,
Philadelphia, Pa.

BOSTON, *February 11, 1901.*

The SECRETARY OF BUREAU OF INSULAR AFFAIRS,
War Department, Washington, D. C.

DEAR SIR: Referring to your letter of the 16th ultimo to our senior, A. Davis Weld, in which you say that suggestions and criticisms of the new Philippine tariff will be invited, we beg to inclose a statement which we should be glad to have presented to the proper authorities in reference to this subject.

These suggestions are based on a copy of the proposed tariff which has come before our house, and also on an experience as merchants of over seventy years' standing in Manila. They are made solely from the positive conviction that cloths going in under the proposed weights and counts would be quite unsuitable, and that the natives would be called upon to pay more money for suitable articles which they find indispensable.

We shall be happy to send a copy of these observations to anyone you may suggest to whom they might be of practical value.

Yours, very truly,

AARON D. WELD'S SONS.

[Inclosure.]

AARON D. WELD'S SONS,
Boston, ——, ——, 190–.

PHILIPPINE CUSTOM-HOUSE DUTIES.

We have now before us a copy of the proposed new Philippine tariff on which we, as merchants of over seventy years' standing in Manila, etc., desire to offer the following observations:

(1) For many years cloths, such as white shirtings, prints, trouserings, gray sheetings, ginghams, sarongs, etc., suitable for the tastes and requirements of the natives have been imported into the islands.

(2) The great majority of these goods weighed over 6½ kilograms per 100 square meters and were admitted under the Spanish tariff (and later under the United States provisional tariff, see group 3, classes 127a and 127b) on the most favorable terms.

(3) The proposed new tariff stipulates that goods in order to gain admission under the most favorable rate, classes 117/119, must weigh 10 kilograms or more per 100 square meters.

(4) Nearly all, if not all, of these suitable cloths, to which we refer, do not come up to the required weight and would therefore be called upon to pay duties under class 120, with the result that they will come in at much higher rates than they now pay under the present high tariff.

(5) It follows that the natives will have to pay considerably higher prices for the goods they want and find suitable.

(6) From a careful perusal of the new tariff we gather that the desire is to cheapen articles which are necessary to the natives and, this not being the case as regards the goods to which we refer, we invite reconsideration of the weight stipulation referred to in clause 3 of these remarks.

(7) There is no doubt that the result of the weight condition referred to would be that the natives would be offered better cloths, but the point is that cloths weighing over 10 kilograms per 100 square meters would be quite unsuitable for the climates of the Philippines and therefore would not be wanted by the natives.

(8) Knowing, as we do, the requirements of the natives, we venture to make the following suggestions:

(*a*) That the weight required for goods to pass under classes 117, 118, 119 be reduced to 6½ kilograms per 100 square meters.

(*b*) That the counts under these classes be altered as follows: Up to 25 threads inclusive, from 26 to 35 threads inclusive, 36 threads and over.

(*c*) That the weight required for cloths to pass under class 120 be altered to under 6½ kilograms per 100 square meters.

(*d*) That the counts under this class be made the same as in clause *b*.

(9) The weight and counts named under clause 8 are the same as in the existing tariff, and they were arrived at after many years' study of native requirements.

The above is a copy of letter sent us by our principals.

AARON D. WELD'S SONS, *Agents.*

BOSTON, *February 11, 1901.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., February 20, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 11th instant, inclosing a statement transmitted to you by Ker & Co., of Manila, relative to the textile schedules of the proposed Philippine tariff.

In reply I beg to advise you that the draft of the revision of the tariff prepared in Manila has been received, and that your letter and inclosure will be given due consideration by the Department in any action it may take thereon. Any suggestion which it is desired to make regarding tariff should be submitted before April 15 next.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

AARON D. WELD'S SONS,
127 State Street, Boston, Mass.

No. 9513.] HEADQUARTERS DEPARTMENT OF CUBA,
OFFICE COLLECTOR OF CUSTOMS FOR CUBA,
Habana, Cuba, April 9, 1901.

The SECRETARY OF WAR,
Washington, D. C.
(Through Headquarters Department of Cuba.)

SIR: I have the honor to state that the New York Journal of Commerce and Commercial Bulletin in its issue of Thursday, March 28, says that it is possible that in amending the textile schedule of the proposed Philippine tariff there will be adopted the language of the Cuban tariff in the cotton schedule, as amended, from and after April 1. My inference from the general tenor of the above-mentioned article is that this change is sought in the belief that it will be more favorable to the United States export cotton-print goods trade. If this be the case, it should be carefully noted before final action is taken that there is good reason for the belief that the amendment in the Cuban cotton schedule may fail of its object, and that for the same reasons it may, if introduced in the Philippines, fail to accomplish its object there.

Already representatives of two prominent New York houses have stated in this office that they have reason to think that the amended cotton schedule of the Cuban tariff, which went into effect on the first of this month, may throw this trade into the hands of English and Spanish manufacturers even more than has heretofore been the case. If this should prove true, it will simply be another evidence of the fact that those manufacturers who manufacture with direct reference to the tariff governing the market which they wish to enter will always have the advantage over those who do not so manufacture. Wherever the tariff classifies tissues by weight and number of threads, the trade is bound to remain in the hands of those who manufacture to meet those conditions.

Of course the actual effect of the amended paragraph 114 can only be determined after considerable experience, but I think it would be

safer, before incorporating in the Philippine tariff the amendment recently adopted for the Cuban tariff, that the representatives of American mills should be further consulted.

Very respectfully,

TASKER H. BLISS,
Major, Collector of Customs for Cuba.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, April 16, 1901.

MY DEAR MR. CORWINE: I beg to advise you that a letter from Colonel Bliss, collector of customs for Cuba, relative to the revision made in the Cuban tariff on cotton tissues by Executive order, to take effect April 1, states that it is doubtful whether it will accomplish its purpose, and if introduced into the Philippine tariff may not give the desired results in those islands. The representatives of two New York houses have stated to the customs authorities in Cuba that in their opinion the amended cotton schedule for Cuba may throw this trade into the hands of the English and Spanish manufacturers even more than has heretofore been the case.

In the event that you have formed any opinion in the matter, and have anything to present with reference to the same, I would be glad to have you call in case you should be in Washington within the next few days.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

WM. R. CORWINE,
New York Life Building, New York City.

NEW YORK, *March 9, 1901.*

The SECRETARY OF WAR.

DEAR SIR: Kindly inform us if the Philippine tariff is the same as the Porto Rico tariff as applicable to cotton goods, dye printed and plain, or is it the same as the Cuban tariff?

Is it a fact that printed cottons weighing less than 10 kilos to 100 square meters pay 27 cents gold plus 40 per cent surtax, and that qualities weighing more than 10 kilos the rate would be 13½ cents gold and 30 per cent surtax?

Is it possible that the United States Government requires fabrics to be washed and dried before weight is passed upon by customs agents?

Yours, truly,

EVERETT, HEANEY & CO.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, March 18, 1901.

GENTLEMEN: By direction of the Secretary of War I have the honor to acknowledge the receipt of your letter of the 9th instant, asking if the Philippine tariff is the same as the Porto Rican tariff as applicable to cotton goods, dye printed and plain, or if it is the same as the Cuban tariff, and other information relative to such duties.

In reply I beg to inform you that according to the act of April 12, 1900, the tariff rates in force in Porto Rico are 15 per cent of the Dingley bill, with which you are doubtless familiar. Your attention is also invited to paragraphs 114 and 115 of the Cuban tariff, herewith inclosed.

The proposed Philippine tariff, upon which suggestions are invited until April 15, treats of cotton tissues in paragraphs 117 and 119, and your examination of the same will show that rule 2 provides for the washing and drying of certain samples, not the entire shipment, in order to ascertain the weight thereof.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

EVERETT, HEANEY & CO.,
351–355 Canal street, New York City.

NEW YORK, *March 20, 1901.*

Col. CLARENCE R. EDWARDS,
War Department, Division of Insular Affairs,
Washington, D. C.

DEAR SIR: We beg to acknowledge receipt of your favor of March 18, also the books regarding the Philippine and Cuban tariffs, for which kindly accept best thanks.

We notice, however, in the Philippine tariff, paragraph 117, it states that tissues, plain and without figures, napped or not, must weigh 10 kilos or more per 100 square meters, in order to pass the customs. This same objectionable clause, as you know, was in the Cuban tariff, and caused a virtual stoppage of the shipment of all low grades of American prints.

This tariff should be changed to read 8 kilos, the same as the Cuban tariff has been revised, for the reason that those qualities of calicoes which are desired by the Philippine markets would be cut out from this country unless this change is made. We have at the present moment orders for 60,000 pieces of calicoes for Manila on which we are held up on account of that clause, whereas if that paragraph was

made to read "8" instead of "10" kilos we would have no difficulty in executing the orders.

There is only a question of time when all the manufacturers of prints in this market will put up a petition to have this changed, and the easiest way is the simplest.

If that washing and drying clause was done away with and 8 kilos substituted for 10 kilos, all objection would virtually be overcome, and this in the interest of the American manufacturers.

It is merely going over the entire Cuban question again as regards this matter.

We understood that the Cuban tariff was to read 8 kilos instead of 10 kilos after the 1st of April. Are we correct in this surmise?

Yours, truly,

EVERETT, HEANEY & CO.

CINCINNATI BOARD OF TRADE AND
BUREAU OF TRANSPORTATION,
Cincinnati, March 28, 1901.

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

SIR: I have received from your Department a copy of the proposed tariff, and in general heartily approve of the policy as outlined by Judge Taft, in formulating this tariff.

On page 5 of the letter of transmittal statement is made that—

> In tissues of cotton and linen the heavily weighted goods are greatly reduced. The earths and sizing introduced therein by some manufacturers to make weight and to give a deceptive finish must be removed by washing and drying before assessing the duty.

Now, this rule is decidedly opposed to the interests of American manufacturers of cotton fabrics. American manufacturers do not size or weight their goods, while the foreign manufacturer does. Why not assess the goods for duty by weight without any attempt to remove the weighting materials. Eliminate this rule and you are performing an act of justice to American manufacturers of cotton fabrics. I fail to see where there is any call for discrimination in favor of a manufacturer of cotton fabrics in Spain, England, or Switzerland, as will result if this rule is applied.

The poundage rates on both cotton yarns and fabrics of the coarser class seems to be the same. All reports from the Philippines seem to indicate that there is a very large domestic or home-weaving industry there, in both colored and uncolored goods. Would it not be desirable to encourage, rather than discourage, this industry by making a lower duty on yarns than on the finished fabric.

You will notice, by referring to page 26, yarns, bleached and unbleached, are 10 cents per kilo, while tissues, up to 18 threads per millimeter, are also 10 cents per kilo. The native weavers, who might buy their yarns in the United States or in India, could certainly not compete with power-loom fabrics. Besides, cotton-yarn industry in the United States has reached a point where production seems to have passed the demand for consumption, and the spinners of the United States would welcome a foreign market.

We now export no yarns, and if the Philippines can not be open to us there seems to be little hope in that direction; but with the beginning made in the Philippines the result would probably be the development of other Asiatic markets, more especially China.

This is not a very strong criticism of the tariff recommended by the Philippine Commission, and is not intended to be, but I do protest against the introduction of the metric system in the Philippines. In my opinion every inducement should be offered to enable the United States to commercially dominate the archipelago. It should be made an object to the natives to acquire our language and to become familiar with everything that is American, including weights and measures. To fail to do this simply postpones our attaining that degree of commercial supremacy in the archipelago which makes it desirable to retain possession.

I am aware of the fact that important business in the Philippines, especially in cotton fabrics, is in the hands of the English, Swiss, and German merchants, familiar with the metric system. In Germany and Switzerland fabrics that are put up for general trade are folded in meters. In the United States they are folded in yards. China takes our cotton goods in yard folds. Why should not the trade in the Philippines adapt themselves to American methods, rather than ask that we should adapt ourselves to theirs?

As one who believes in the permanent, perpetual control of the Philippines by the United States, I think we have most to fear from the indifference of business men and capitalists in the United States to the opportunities existing there than from any other cause. The tariff barrier, whether actual or sentimental, between the United States and the Philippines should be as low as possible. If it is the desire of the General Government that there should be a large expansion of our trade in the Philippines, let every element of simplicity enter into the construction of a tariff, and save in the matter of the metric system I think the Commission has worked on these lines.

Very truly, yours,

JAMES J. HOOKER, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 2, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 28th ultimo setting forth your views on the proposed Philippine tariff, especially with reference to the regulations as to the weight and washing of samples of cotton tissues, the poundage rates on cotton yarns, and the employment of the metric system.

In reply I beg to advise you that the same will receive careful consideration in the final revision of the tariff by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

JAMES J. HOOKER,
President Cincinnati Board of Trade, Cincinnati, Ohio.

THE MERCHANTS' ASSOCIATION OF NEW YORK,
New York, April 16, 1901.

Col. CLARENCE R. EDWARDS,
Chief of Insular Bureau,
War Department, Washington, D. C.

MY DEAR COLONEL EDWARDS: Thank you very much for your letter of the 16th, which came to hand this morning.

I am going to Texas Saturday, April 20, with a party of New Yorkers to make a tour of that State. I will not be back until nearly the middle of May.

Meanwhile, Mr. J. M. Langley, of this office, who has charge of transportation matters here, will communicate with you. He is a good fellow and I speak for him in the same favorable consideration which you have always shown me.

So far as the subject-matter of your letter is concerned, he will take it up with one or two representative houses here and will write you.

My own personal judgment is that it will be unwise to adopt the compromise measure which has recently been promulgated in the Cuban tariff as the basis for a change in the Philippine tariff. I sent the proposed change in the Philippine tariff to several houses here, but have not as yet heard from them.

Thanking you for all the courtesies you have shown me, and hoping to have occasion for further communication with you on my return, and also living in the hope that some day you will visit us here, I am, as always,

Sincerely, yours, WM. R. CORWINE.

NEW YORK, *April 27, 1901.*

Lieut. Col. CLARENCE R. EDWARDS,
Chief of Insular Bureau,
War Department, Washington, D. C.

DEAR SIR: I beg to refer to your favor of April 16, addressed to Mr. William R. Corwine, of this office, in relation to Philippine tariff matters, and to say that if it will suit your convenience I shall be pleased to call upon you some day during the ensuing week.

Truly, yours,

THE MERCHANTS' ASSOCIATION OF NEW YORK,
By J. M. LANGLEY.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 30, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 27th instant, acknowledging the receipt of a communication addressed to Mr. William R. Corwine in relation to Philippine tariff matters, and stating that you would be pleased to call during the ensuing week.

In reply I beg to state that I would be pleased to have a conference with you at the time indicated in your letter.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

J. M. LANGLEY,
New York Life Building, New York City.

NEW YORK, *May 1, 1901.*

DEAR SIR: In reply to your esteemed favor of April 30, which is received, I beg to say that it is my present intention to be in Washington on Friday, May 3. If I can not arrange to be there on that date, I will notify you.

With thanks for your courtesy and prompt reply, I am,

Yours, truly,

J. M. LANGLEY,
For the Merchants' Association of New York.

Lieut. Col. CLARENCE R. EDWARDS,
Chief of Insular Bureau, War Department,
Washington, D. C.

CINCINNATI, *May 7, 1901.*

THEODORE C. SEARCH,
President National Manufacturing Association,
Philadelphia, Pa.

DEAR SIR: First, inability to get hold of the Philippine tariff, and, second, absence from the city, have prevented an earlier reply to your letter of April 17.

Tissues coming under paragraph 117 of the proposed Philippine tariff embrace, according to my calculation, goods described as running 5 yards to the pound and heaver. This would cover practically all bleached and unbleached goods that are now shipped from the United States to the Far East, and probably the weighted fabrics of England would not be enough reduced in weight by the washing process to throw them outside of this class; thus indicating that there is probably not so much in my contention as I thought. However, your bringing the matter up suggests that the goods should be so classified as to let in the American goods that are not weighted at a more favorable duty. In other words, there might be another class established. The majority of American sheetings and drills shipped to the Far East run 4 yards to the pound and heavier, say 3.50 yards, 3.25 yards, 3 yards, and 2.85 yards to the pound.

One way to increase protection to American-made goods would be to have the first line of paragraph 117 read, "Weighing 12 kilograms or more," etc. This, in a measure, would increase the protection to American-made goods against weighted fabrics produced in Europe.

I want to take this opportunity, however, of expressing the opinion that business in the Philippines will not come unsought to American manufacturers. It will be secured by systematic work, just as business is secured under the same conditions in the United States. Philippine markets will continue to be supplied from England, Spain, and Switzerland unless a well-directed effort is made to divert it to the United States.

I suppose you are aware that we are getting very little business from Cuba in textile fabrics. While in Habana a year ago this winter one of the leading Spanish wholesale dry goods houses informed me that they did not buy a dollar's worth of cotton goods in the United States. From a pretty long experience in the way of getting business, I believe the way to get business in Cuba is to go for it, and the way to go for it is for the wholesale dry goods merchants of New York, Philadelphia, New Orleans, and Mobile to canvass the retail trade throughout the island of Cuba, ignoring entirely the Spanish jobbing houses in Habana. New York can land goods in most of the ports in the island of Cuba in as short time after the goods are put on board the steamer as could be done if shipped from Habana, and at as low rates of freight.

Yours, very truly,

JAMES J. HOOKER.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., May 10, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your communication of the 7th instant, forwarded to the Department by the National Manufacturers' Association of Philadelphia, relative to paragraph 117 of the proposed Philippine tariff.

In reply I beg to advise you that the entire question of the classification of cotton tissues is being made the subject of careful study, and your argument will be placed before those now considering the classification of the same.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. Vols.,
Chief of Division.

JAMES J. HOOKER, Esq.,
Cincinnati, Ohio.
(Care Putnam, Hooker & Co.)

NEW YORK, *May 7, 1901.*

The WAR DEPARTMENT, *Washington, D. C.*

DEAR SIRS: One of our clients in Manila writes me regarding the interpretation of rule 2 about classification of tissues, which reads as follows:

> When the dutiable rate of tissues included in Class IV or V is dependent upon the weight of 100 square meters thereof, the weight of such tissues for the purpose of classification must be ascertained from tests of proper samples thereof, after such samples have been washed and dried.

My client wishes to know whether the washing is to be done with or without soap, whether drying is to be by air or fire, and whether the basis of the length and breadth is to be taken before or after the washing, as the difference will be considerable.

Any information you can give me in this respect will be gratefully received.

I should also like to know if any date has been fixed yet when this tariff will take effect.

Very respectfully, yours, ED. MAURER.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., May 10, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 7th instant, written at the instance of one of your Manila

customers, asking how the washing and drying of samples of cotton tissues is to be done according to the regulations prescribed in the proposed tariff for the Philippine Islands.

In reply I beg to advise you that the proposed tariff has not yet been authorized, and should it become operative the collector of customs at Manila is the proper authority to interpret and apply the regulations concerning the same.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

Firm of ED. MAURER,
97 Water Street, New York City.

[Telegram.]

WAR DEPARTMENT, *May 23, 1901.*

W. R. CORWINE,
Secretary Merchants' Association, New York, N. Y.:

Have cotton-schedule people any further suggestions to offer on proposed Philippine tariff?

EDWARDS.

NEW YORK, *May 23, 1901.*

Col. CLARENCE R. EDWARDS,
In Charge Insular Bureau, War Department,
Washington, D. C.

MY DEAR COLONEL EDWARDS: Your telegram asking if cotton-schedule people had any further suggestions to offer on proposed Philippine tariff came this afternoon while I was very busy. I have been away. I sent, however, for Mr. Menendez, of the H. B. Claflin Company. He says he has no further suggestions to make. I also sent for the expert of Sweetser, Pembrook & Co. He said he thought he would like to make some suggestions, but I did not have an extra copy of the proposed amended tariff to give him. I told him I would get one and send it to him, so that any suggestions he might make will be in your hands by next Tuesday.

Meanwhile I will try to see some of the other large houses and ascertain if they have anything to say.

From the fact of your telegraphing I take it that any suggestions to be made must be in pretty quickly. Please let me know the final limit. Let me thank you sincerely for your courtesy in calling my attention to the matter.

With kind regards, very truly, yours,

WM. R. CORWINE,
For the Merchants' Association.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., May 25, 1901.

SIR: I have the honor to acknowledge the receipt of your letter o the 23d instant, with reference to suggestions on the cotton schedul of the proposed Philippine tariff, in which you state that certain per sons would like to submit their views, and asked to be advised as t the ultimate date on which such statements may be forwarded.

In reply I beg to advise you that the matter is now under active consideration and that anything forwarded in the immediate future will be carefully weighed. It may be added that suggestions as to the hemp and flax schedule may also be submitted at the same time.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

WM. R. CORWINE,
The Merchants' Association,
New York Life Building, New York City.

[Telegram.]

WAR DEPARTMENT, *May 23, 1901.*

To BLISS, *Habana:*

Have you data sufficient to form an opinion as to merits of cotton schedule in present tariff for guidance in preparation of Philippine tariff?

EDWARDS.

HABANA, *May 23, 1901—6.16 p. m.*

EDWARDS, *War Department, Washington:*

Very difficult to answer your cable about cotton schedule in present tariff. The tariff commission authorizes me to say that I can send you copy of provisional cotton schedule as we shall recommend on Friday next. Will that answer your purpose?

BLISS.

HEADQUARTERS DEPARTMENT OF CUBA,
OFFICE OF THE COLLECTOR OF CUSTOMS FOR CUBA,
Habana, Cuba, May 31, 1901.

MY DEAR COLONEL EDWARDS: Referring to my cable to you of May 23, I inclose herewith the project of the Cuban tariff commission for the cotton schedule. It was completed late last night, and I have

not had time to translate it, if it is to go by mail to-day, but you can have the translation done in Washington.

As I think I told you in a previous personal letter, the tariff commission divided itself into subcommittees, to each one of which was assigned a certain part of the existing tariff, to study and report upon after consideration of all the arguments which have been submitted to the commission, in person or in writing.

The report on the cotton schedule was made by Messrs. Place and Rodriguez. In its present form, it is entirely different from that which they originally submitted. The rule of the commission is, that when a report is made it is discussed rule by rule and paragraph by paragraph, until the commission has arrived at an agreement as to the general principle to be followed out in the schedule under consideration, i. e., whether it is to be ad valorem or specific or mixed, what changes should be made in the rules for its application, etc. In the light of this, the committee redrafts its report, and then the schedules are voted upon, rule by rule and paragraph by paragraph, with the understanding that the vote is provisional. When the entire tariff is completed in this form the commission will revise it in the same detailed way, fixing absolutely all details as to the amount of duty, etc.

I may say in passing, that the commission at the outset decided to have all duty assessed either on net weight or gross weight; that is to say, where tare is allowed the commission will fix the duty as it thinks it ought to be under the present system, and then will deduct from that duty the proportional amount due to the official tare which it may agree upon as proper in each case.

The cotton schedule has been studied by the commission with special reference to American trade, and it is believed that the form in which it now is is as favorable to that trade as we can make it.

Very sincerely, yours,

TASKER H. BLISS,
Brigadier-General, U. S. V., Collector of Customs for Cuba and for the Port of Habana.

Col. CLARENCE R. EDWARDS,
Chief Division of Insular Affairs, Washington, D. C.

[Translation.]

DISPOSITION FIRST

APPRAISEMENT OF TISSUES.

GENERAL RULES.

First. Number of threads. By the number of threads in a tissue, unless otherwise stipulated, shall be meant the sum of the threads which are counted in the warp and woof of the tissues which are in a square of 6 millimeters. The threads not com-

pletely included in the square of the thread counter shall not be considered for the determination of the paragraph to which the tissue belongs.

Second. Ascertainment of the number of threads. For this purpose shall be employed an instrument called the "thread counter," with a lens 6 millimeters square.

When the tissue is denser in some parts than in others, the threads in the densest part are to be counted, and also those in the thinnest part, and an average shall be taken of the sum of the two for the purpose of appraisement. The threads shall be counted on the right or the wrong side of the goods, as the case may be. When owing to the condition of the tissue it is difficult to count the threads, the nap shall be shaved or burned off from one side, or a sample shall be unraveled in order to ascertain the number of threads.

Threads of tissues composed of two or more ends twisted together shall be counted as one thread.

CUSTOMS TREATMENT OF MIXED TISSUES.

Third. Admixture of two materials. Tissues of all kinds, composed of two materials shall be dutiable as follows:

(*a*) Cotton tissues containing threads of hemp, jute, linen, ramie, or other vegetable fiber, shall be dutiable according to the corresponding numbers of group 2, Class IV, with a surtax of 15 per cent, provided that the threads of hemp, jute, linen, ramie, or other vegetable fiber counted in the warp and woof does not exceed 25 per cent of the total number of threads composing the tissue.

When the number of threads of hemp, jute, linen, ramie, etc., exceeds 25 per cent of the total, the tissue shall be subject to the corresponding duties of Cla s V.

(*b*) Cotton tissues containing threads of wool, flock wool, hair, or waste of these materials, shall be dutiable according to the corresponding numbers of group 2, Class IV, with a surtax of 30 per cent, provided that the number of threads of wool, flock wool, hair, or their wastes counted in the warp and woof does not exceed 25 per cent of the total number of threads composing the tissue.

When the number of threads of wool, flock wool, hair, or their wastes exceeds 25 per cent of the total, the tissues shall be subject to the corresponding duties of Class VI, as tissues mixed with wool.

(*c*) Tissues of cotton which contain threads of silk or floss silk shall be dutiable according to the corresponding numbers of group 2, Class IV, with a surtax of 60 per cent, provided that the number of threads of silk or floss silk, counted in the warp and woof, does not exceed 25 per cent of the total threads composing the tissue.

When the number of threads of silk or floss exceeds 25 per cent of the total, the tissue shall be subject to the corresponding duties of Class VII.

(*d*) Tissues of hemp, jute, linen, ramie, or other vegetable fibers containing threads of wool, flock wool, hair or their wastes, shall be dutiable according to the corresponding numbers of group 2, Class V, with a surtax of 35 per cent, provided that the number of threads of wool, flock wool, hair or their wastes, counted in the warp and weft, does not exceed 25 per cent of the total number of threads composing the tissue.

When the number of threads of wool, flock wool, hair or their wastes exceed 25 per cent of the total, the tissues shall be dutiable according to the corresponding duties of group 2, Class VI, as tissues mixed with wool.

(*e*) Tissues of jute, hemp, linen, ramie, or other vegetable fibers containing threads of silk or floss silk shall be dutiable according to the corresponding numbers of group 2, Class V, with a surtax of 70 per cent, provided that the number of threads of silk, floss silk, counted in the warp and woof, does not exceed 25 per cent of the total number of threads composing the tissue.

When the number of threads of silk or floss silk exceeds 25 per cent of the total, the tissue shall be subject to the corresponding duties of Class VII.

Fourth. Admixture of more than two materials. Tissues composed of more than two materials shall be dutiable as follows:

When the number of silk or floss-silk threads exceeds 25 per cent of the total, the tissues shall be subject to the corresponding duties of Class VII.

(*a*) Tissues containing an admixture of cotton and other vegetable fibers, and at the same time threads of silk or floss silk, shall be subject to the corresponding duties of Class V, and assimilated to tissues of jute, hemp, etc., whatever be the proportion of cotton threads. They shall, in addition, be liable to the surtax leviable on the silk or floss-silk threads, provided that the number of these threads, counted in warp and weft, does not exceed 25 per cent of the total number of threads composing the tissue.

When the number of silk or floss-silk threads exceeds 25 per cent of the total, the tissues shall be subject to the corresponding duties of Class VII.

(*b*) Tissues of an admixture of wool, cotton, and other vegetable fibers containing no silk threads, shall be subject to the corresponding duties of Class V, and shall, in addition, be liable to the surtax leviable on woolen threads, provided that the number of these threads, counted in warp and weft, does not exceed 25 per cent of the total number of threads composing the tissues.

Fifth. Silk tissues. All tissues containing silk or floss-silk threads, the number of which, counted in warp and weft, exceeds 25 per cent of the total number of threads composing the tissue, shall be considered as tissues mixed with silk.

Sixth. Tissues of cotton, linen, jute, ramie, and other vegetable fibers, embroidered by hand or by machine other than the loom, shall be dutiable at 40, 45, 50, and 55 per cent, according as the embroidering material belongs to Classes IV, V, VI, or VII respectively.

Seventh. Tissues manufactured into ready-made clothing, wearing apparel of all classes and forms, although ornamented with laces, blondes, edging passementerie, not expressly classified in any number of the customs tariff, and bed covers, shall be assessed 60 per cent ad valorem.

For the purposes of this rule, ready-made clothing, wearing apparel and underclothing, finished, half finished, or simply basted, shall be considered as ready-made clothing.

Eighth. Articles with seams, trimmings, hems, fringes, worked with the same threads as the tissue or any other sort of hand work, shall be dutiable according to the class of the tissue, with a surtax of 25 per cent, excepting from this surtax the trimming and seams of ordinary blankets, and towels, handkerchiefs, tablecloths and napkins in pieces, which have no hand work aside from the loom.

Ninth. Tissues embroidered with metal thread, tissues manufactured exclusively with metal threads, although mixed with other textile fibers, shall be dutiable at 60 per cent ad valorem if not specially classified.

Tenth. Tissues containing dyed threads which exceed 20 per cent of those counted in a square of 6 millimeters shall be considered as tissues manufactured with threads dyed before weaving.

CLASS IV.—COTTON AND MANUFACTURES THEREOF.

GROUP 1.—*Cotton in the wool and yarns.*

112.	Cotton in the wool and cotton waste (1) G. W., 100	kilo..	$1.00
113.	Cotton yarns:		
	(*a*) In thread for crocheting, embroidering or sewing, including the weight of reel (2) (Disp. III), N. W	kilo..	.33
	(*b*) In thread for sewing, for sails and cords twisted or braided, G. W	kilo..	.14
	(*c*) In wick for candles or matches, G. W	do...	.07

GROUP 2.—*Tissues.*

114. Tissues, plain twilled or damasked, weighing 9 kilograms or more per 100 square meters, unbleached, bleached, or dyed in the piece, having:
(*a*) Up to 18 threads, N. W.....kilo.. $0.14
(*b*) From 19 to 24 threads, N. W .....do... .16
(*c*) From 25 to 32 threads, N. W .....do... .20
(*d*) From 33 to 40 threads, N. W .....do... .36
(*e*) From 41 and above, N. W.....do... .45
(*f*) When the tissues of this number are stamped, printed, or woven with dyed yarn, shall pay a surtax of 30 per cent upon the duty.

115. Tissues, plain, twilled or damasked, weighing 5 kilograms or more and less than 9 per 100 square meters, unbleached, bleached, or dyed in the piece, having:
(*a*) Up to 16 threads, N. W .....kilo.. .16
(*b*) From 17 to 24 threads, N. W .....do... .22
(*c*) From 25 to 32 threads, N. W .....do... .30
(*d*) From 33 to 40 threads, N. W.....do... .45
(*e*) From 41 threads and above, N. W .....do... .60
(*f*) The tissues of this number, when stamped, printed, or woven with dyed yarns, shall pay a surtax of 30 per cent upon the duty.

116. Tissues, plain, twilled, or damasked, weighing less than 5 kilograms per 100 square meters, unbleached, bleached, or dyed in the piece, having:
(*a*) Up to 16 threads, N. W.....kilo.. .30
(*b*) From 17 to 24 threads, N. W .....do... .35
(*c*) From 25 to 32 threads, N. W .....do... .55
(*d*) From 33 to 40 threads, N. W.....do... .70
(*e*) From 41 threads and above, N. W .....do... 1.20
(*f*) The tissues of this number, when stamped, printed, or woven with dyed yarns, shall pay a surtax of 30 per cent upon the duty.

117. Counterpanes, bleached or unbleached, N. W., kilo..... .18
Said tissues stamped, printed, or woven with dyed yarn shall pay a surtax of 30 per cent.

118. Piques of all classes: (3)
(*a*) Up to 40 threads, N. W., kilo..... .25
(*b*) From 41 threads and above, N. W., kilo..... .48

119. Carded tissues in blankets and other similar articles:
(*a*) Unbleached, N. W., kilo ..... .08
(*b*) Bleached or dyed in the piece, N. W., kilo ..... .16
(*c*) Stamped, printed, or woven with dyed yarn, N. W., kilo..... .25

120. Velvety tissues:
(*a*) Velvety tissues like corduroys and velveteens, N. W., kilo..... .46
(*b*) Three-ply plush tissues, cut into towels or not, N. W., kilo..... .20

121. Knitted goods, with or without needlework:
(*a*) In pieces or cut, N. W., kilo..... .30
(*b*) Undershirts and drawers of simple finish or rough sewing, N. W., kilo ..... .45
(*c*) Stockings, socks, gloves, and other similar articles of simple finish or rough sewing, N. W., kilo..... .65
The tissues of number (*b*) and (*c*) of double sewing or fine finish shall pay a surtax of 100 per cent.

122. Tulles:
(*a*) Plain, in the piece, N. W., kilo ..... .60
(*b*) Figured or embroidered on the loom, in pieces or cut (4), N. W., kilo ..... .90
(*c*) Draperies, curtains, and bedspreads, N. W., kilo..... 1.20

123. Lace, blondes, and embroidery of all kinds, including crocheting with or without tinsel, metal thread, or with jet or glass beads, (5) per cent ad valorem.....
124. Carpets of cotton, N. W., kilo..... $0.40
125. Tissues, called tapestry, for upholstering furniture and for curtains, woven with dyed yarns, table covers or counterpanes of the same class, with or without fringe: .15
(*a*) Up to 24 threads, N. W., kilo..... .25
(*b*) From 25 threads or more, N. W., kilo..... .40
126. Lamp wicks (and candle wicks, woven, knitted, or braided), N. W., kilo. .15
127. Passementerie ribbons, galloons of all kinds, with or without tinsel, or metal threads, or with jet or glass beads, per cent ad valorem ..... .40
128. Waterproof tissues with a cotton backing, or manufactured with threads of gum elastic, N. W., kilo..... .15
129. Tissues of all kinds of exclusive application for steam machinery, ad valorem, fifteen per cent.

(1) Cotton waste shall be considered as all thread of cotton of less than 20 centimeters in length.

(2) Threads twisted with a mixture of metal thread shall be classified under Class VII.

(3) Piques are those tissues manufactured with two woofs; the tissues manufactured with but one woof shall be classified under Nos. 114, 115, 116, according to weight of 100 square meters.

(4) Tulles which are less than 15 centimeters shall be assessed under No. 123 as lace.

(5) Laces, blondes, and embroideries shall be distinguished from ornamented tulles, among other things, in that the waves or festoons of tulles are cut, and those of lace, blondes, and embroidery are finished on the loom, and that the tulles can be unthreaded diagonally without breaking the threads, which can not be done in the others.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., June 5, 1901.

MY DEAR GENERAL: Referring to your personal letter of the 31st ultimo, allow me to thank you for the draft of the cotton schedule which you kindly sent me, and to call your attention to the fact that my translator found that paragraph (*f*) under 3, "Admixture of two materials", is repeated in the Spanish draft forwarded and also in the English edition of 1900 (see p. 9, near top), the last paragraph (*e*) being exactly the same as (*f*). When the new tariff is published, the last paragraph of (*e*) can be omitted.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

By ALEX R. SPEEL, *Chief Clerk.*

Brig. Gen. TASKER H. BLISS,
Collector of Customs for Cuba, Habana, Cuba.

THE MERCHANTS' ASSOCIATION OF NEW YORK,
New York, May 27, 1901.

Lieut. Col. CLARENCE R. EDWARDS,
Chief of Insular Affairs, War Department,
Washington, D. C.

DEAR SIR: I have your letter of May 25 about suggestions for the Philippine tariff.

I am writing to-day and sending, by hand, a letter to such of the houses as I think might be interested, informing them that they must let me have not later than to-morrow any suggestions they care to make concerning this matter.

Thanking you for your prompt and courteous reply to my inquiry, I am,

Sincerely yours, WM. R. CORWINE.

BOSTON, *June 3, 1901.*

SECRETARY OF THE BUREAU OF INSULAR AFFAIRS,
War Department, Washington, D. C.

DEAR SIR: Under date of February 11 last we wrote you making a few suggestions about the new Philippine tariff, referring to the weight of shirtings, print cloths, etc.

In the copy of the tariff on which we based our suggestions it was proposed to make 10 kilos per 100 square meters the minimum weight to gain admission on the most favorable terms, as against 6½ kilos heretofore. It is now reported that 8 kilos has been determined on, and we write to know if there is any official basis for this report.

Is there anyone to whom we can write for such information as the above, and as to being informed when the date is fixed for the new tariff to go into effect?

Yours, respectfully, AARON D. WELD'S SONS.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., June 8, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 3d instant, asking whether 8 kilos has been determined on as the weight basis in the cotton schedule of the new Philippine tariff for shirtings, prints, cloths, etc., and as to the date when the new tariff will go into effect.

In reply I beg to advise you that the cotton schedule has not yet been finally settled, and that the date when the tariff as a whole will go into effect has not been decided.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.
By ALEX. R. SPEEL, *Chief Clerk.*

AARON D. WELD'S SONS,
127 State Street, Boston, Mass.

THE MERCHANTS' ASSOCIATION OF NEW YORK.

New York, July 20, 1901.

Col. CLARENCE R. EDWARDS, U. S. A.,
In Charge Insular Bureau, War Department,
Washington, D. C.

MY DEAR COLONEL EDWARDS: I notice by the papers that the Philippine amended tariff has been made up and sent to the islands.

The object of this note is to express to you, not only for myself but for all the officers of this association, my thanks for the courtesy you showed us in giving an early opportunity to study this tariff in its bearings upon the lines of goods which the members of this organization might export or seek to export to the Philippine Islands. That no practical suggestions were made by our members who are or might become interested in this subject is not due to you or to me.

Appreciating your thoughtfulness in this matter, I sent to each house which ought to be interested a memorandum asking that they furnish suggestions, but the few from which I heard had no suggestions to make or were too busy to take up the matter. One house said that they would be glad to make suggestions, promising to do so later, but although I have several times urged them to put those suggestions in writing, they have never done so.

If any of the houses in interest have any criticisms to make after the tariff is officially adopted and promulgated, they ought not to receive the consideration which they would be entitled to had they bestirred themselves actively in this connection.

Only the practical workings of the tariff can show what its effect will be upon American manufactured goods. If that effect narrows trade, why the subject can be taken up in a proper way; but I simply desire to let you know what we have done and how we regard the apathy with which this subject was received.

The list of houses to whom I sent request for suggestions is the same list I communicated with in the matter of the Cuban tariff. I think

you have that list on file. If not, and you would like to have it, I will be very glad to furnish copy for your personal information.

With kind regards, and once more assuring you of my appreciation of your courtesy in this entire matter, I remain,

Sincerely yours,

WM. R. CORWINE,
For the Merchants' Association of New York.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 24, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 20th instant, relative to the Philippine tariff, and your offer to send a list of the persons or firms which were invited to make suggestions with reference thereto.

In reply I beg to state that the Department would be pleased to have said list, and also that after careful consideration of the cotton schedule, in view of all the information obtainable, the following language has been adopted:

Textiles plain and without figures, napped or not, weighing 10 kilograms or more per 100 square meters, unbleached, bleached, or dyed.

Textiles plain and without figures, stamped or printed, napped or not, measuring not over 65 centimeters in width, weighing 8 kilograms or more per 100 square meters.

Textiles plain and without figures, not stamped or printed, whatever be their width, weighing 8 kilograms or more per 100 square meters, having: (a) Up to 18 threads, N. W. kilo 10 cents, etc.

It has been thought that the third paragraph of the above would admit American unprinted cottons under the most favorable classification, as we were given to understand that they were usually more than 65 centimeters in width, and therefore excluded from the lowest classification in the Cuban tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

WM. R. CORWINE,
New York Life Building, New York City.

AMERICAN STEEL AND WIRE COMPANY,
New York, March 21, 1901.

HON. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: Referring to draft of new tariff bill for the Philippine Islands, our attention has been called to the duties reported for adoption as applying to sulphate of iron (copperas) and oxides of iron.

We understand that the first named is classified in the section providing for "Inorganic salts," Article C, calling for duty of 45 cents per 100 kilos. We beg to say that we are compelled to manufacture sulphate of iron from our acids used in cleaning wire at several of our factories on account of the necessity of keeping the waste acid from entering the city sewers. The consumption of sulphate of iron in this country is insufficient to take our product, which amounts to nearly 15,000 tons annually, and we are consequently obliged to seek an outlet if possible to dispose of our immediate production.

Present prices on this material are just sufficient to cover cost of manufacture, freight, etc., added, or based on approximately $5 per ton at our different mills. This sulphate of iron is used principally as a mordant for woolen dyers, in the manufacture of paints and medicines, and as a disinfectant.

Regarding our oxides of iron, which is also a by-product from our sulphate of iron, we have been informed that this material is provided for in the section, "Artificial colors of metallic bases," Article C, calling for duty of $2 per 100 kilos. This material is used principally in paper and leather board coloring, outside painting, etc., and in our opinion we could possibly develop a market for the above in the Philippines if same could be admitted free of duty.

We would respectfully call this to your attention, and in view of the conditions compelling us to manufacture these products, trust that a revision of above duties will be favorably considered.

Very respectfully, yours,

AMERICAN STEEL AND WIRE COMPANY.
E. J. DUGGAN.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 22, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 21st instant with reference to the duty on sulphate and oxide of iron in the proposed Philippine tariff.

In reply I beg to advise you that your letter will receive due consideration when the final revision is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-seventh Infantry, U. S. V.,
Chief of Division.

AMERICAN STEEL AND WIRE COMPANY,
Empire Building, New York City.

NEW YORK, *March 23, 1901.*

SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: We have before us copy of the proposed customs tariff for ports in the Philippine Archipelago, and note that on page 41, classification 268 reads: "Typewriters and phonographs, each $8," from which we infer that it has been recommended that a specific duty of $8 each be levied on such of these articles as may be imported into the Philippines. We assume that the purpose of the proposed tariff is for revenue only, and if so, the placing of such a large specific duty on each typewriter that may be imported into the islands will act as a serious handicap to the upbuilding of a strictly American industry. The revenue which can be derived from the sale of typewriters for commercial purposes in the Philippines will at best be extremely limited for a good many years to come, due to the fact that the business methods are so very much behind modern times. We doubt if previous to the American occupation there were, all told, half a dozen typewriters of all the different makes in use through the entire Philippine Archipelago; and while some few typewriters have been shipped there in the last two years, the machines have almost without exception been sold for Government purposes, most of the shipments being carried from this country by the Government transports.

The typewriter has always been regarded as an educational factor. We have had inquiry made from us as to the establishing of schools of stenography and typewriting in the Philippines, with the idea of teaching the natives so that their services might be utilized in the higher branches of business life, and any handicap in the way of a large specific duty must not only tend to discourage the establishment of these business colleges where typewriting and stenography are taught, but will at the same time tend to prevent natives from being better educated, which is in itself a most desirable feature under the present existing conditions.

We might say to you that the duty on a Remington typewriter into Porto Rico, as figured by the custom officials in Porto Rico, on a recent shipment made to that country, was $4.84 per machine.

It is not our purpose to make any specific recommendations. We only submit these facts that they may be given due consideration at the proper time.

Yours, very truly, WYCKOFF, SEAMANS & BENEDICT.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 27, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 23d instant, with reference to the duty assigned to typewriters and phonographs in the proposed Philippine tariff.

In reply I beg to advise you that your communication will receive careful consideration by the Department when the final revision of the said tariff is made.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

WYCKOFF, SEAMANS & BENEDICT,
327 Broadway, New York City.

NEW YORK, *March 20, 1901.*

SECRETARY WAR DEPARTMENT,
Washington, D. C.

SIR: Having noticed the tariff recommended by the Commission for the Philippines and also that suggestions would be received by your Department regarding the same, we beg to call your attention to the following:

Agates.—Proposed duty of 30 cents per carat, net weight.

Regarding this would say that these goods for jewelry purposes are sold in sizes from 5 to 17 millimeters, of which the average weight per gross is about as follows:

Sizes.	Weight.	Selling price, per gross.	Proposed duty.
	Carats.		
5	49	$1.00	$14.70
7	77	1.25	23.10
8	185	1.50	55.50
11	308	2.00	92.40
13	427	2.50	134.10
15	546	3.00	163.80
17	756	3.50	226.80

You will therefore see that the proposed duty is entirely out of proportion to the value of the goods.

Amethysts.—Thirty cents per carat.

The selling prices in this market for amethysts is from 30 cents to $2 per pennyweight, and a pennyweight being equal to about 7 carats, you will see that on the cheapest goods the duty is seven times the value of the goods.

Diamonds.—Unset, $1 per carat.

The average selling price of unset diamonds is from $30 to $100 per carat and the uniform duty on these goods would therefore discriminate against the cheap qualities.

Doublets.—Should be classified under imitation stones, the proposed duty for unset 12 cents per carat. These doublets in round are sold in sizes running from 5–48; we give you weights of three sizes:

Sizes.	Weight.	Selling prices per gross.	Proposed duty.
	Carat.		
12	21	3.75	$6.30
24	98	6.75	29.40
35	230	18.00	60.00

and you will therefore see that the duty on these goods on the basis of 12 cents per cent would be from two to four times the cost of the goods. In oval and other shapes the proportion is about the same.

Jewelry.—Set with pearls or precious stones, $15.50 per hectogram.

With the duty figured on this basis it would certainly be more profitable to import diamonds and precious stones into the Philippines in cheap settings than to import the stones loose at $1 per carat, a hectogram being equal to about 500 carats.

Opals.—Thirty cents per carat.

We import opals from 7 cents per carat to $2, and therefore the duty of 30 cents would very much discriminate against the cheaper grade. There are also opals of higher grade imported in this country, but the proportion is comparatively small.

Precious stones.—Cut, not mounted, $1 per carat, net weight.

In the enumerated articles certain kinds of precious stones are mentioned while others are not, and will therefore come under the heading of precious stones. There are several kinds, namely, topaz, garnets, etc., which, commercially, come in the same category as amethysts, etc., and the proposed duty on the same is three times as much, and, besides, is so excessive as to make importation impossible.

Under the same heading of precious stones is mentioned "Precious stones mounted in gold jewelry," $25 per hectogram, net weight, while "Gold jewelry with precious stones," $15.50 per hectogram. These items are identically the same, while the difference in the duty is considerable.

We wish to state that at these proposed rates of duty the importation of various articles would be impossible. Would also state that paragraph "Trinkets" could be eliminated, as the same come under the heading "Jewelry and adornments for personal use." In our

opinion, an advalorem duty would be more proper for this class of goods than duty per specific weight, but in case a duty per weight shall be decided upon, we would suggest that articles be subdivided according to the cost of the same.

Should you desire any further suggestions from us on the subject, we would cheerfully forward the same.

Yours, truly,

ALBERT LORSCH & Co.

NEW YORK, *March 21, 1901.*

SECRETARY, WAR DEPARTMENT,
Washington D. C.

DEAR SIR: Confirming our lines of yesterday, we notice now that we made an error in second page of our letter in regard to the items "Precious stones mounted in gold jewelry" and "Gold jewelry set with precious stones." In the schedule both these items are rated at $25 per hectogram, and we therefore beg to withdraw our remarks on the same.

Yours, truly,

ALBERT LORSCH & Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 27, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letters of the 20th and 21st instant with reference to the duty on jewelry and precious stones in the proposed Philippine tariff.

In reply I beg to advise you that the Department will give your communications careful consideration in the final revision of the tariff, and will be pleased to have you submit a classification for Class I, group 7, which would be specific, if possible, and yet in your opinion equitable both to exporters and purchasers.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

ALBERT LORSCH & Co.,
37 and 39 Maiden Lane, New York City.

NEW YORK, *March 29, 1901.*

Mr. CLARENCE R. EDWARDS,
Chief of Division, War Department, Washington, D. C.

DEAR SIR: Your favor of the 27th instant came duly to hand, and in reply we beg to state that we are very busy at the present moment,

but shall be pleased to submit to you a schedule of duty on jewelry and precious stones for the Philippines, as suggested, as soon as possible.

Yours, truly,

ALBERT LORSCH & Co.

NEW YORK, *April 6, 1901.*

SECRETARY WAR DEPARTMENT,
Washington, D. C.

SIR: Replying to your favor of March 27 and in further reply to our communication, we respectfully beg to state that, in our opinion, an ad valorem duty on precious and imitation stones and jewelry would be most equitable and fair, as on that basis every article would pay an amount of duty according to its value, while a specific duty per weight would discriminate against the cheaper goods. For instance, imitation stones vary in prices from $0.05 to $24 per gross and upward, and therefore a duty per weight figured on an average basis, no matter how conservative, would represent a very large percentage on the cheap stones, while on the finer grades it would practically amount to nothing. If each item could be separated into different classes according to the money cost, it would remedy this, but it would be a very complicated arrangement, owing to the nature of the goods, to adopt a satisfactory plan for this.

We beg to state, however, that should the Department decide to levy a specific duty per weight we will, if desired, submit a tariff on that basis, graded in prices as suggested above, but first respectfully beg to inquire whether the object of the tariff is to levy a duty on the goods imported from this country into the Philippines or a duty only on imported goods from foreign countries.

On receipt of this information we shall be pleased to submit the desired schedule.

Yours, truly,

ALBERT LORSCH & Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 8, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 6th instant, in which you repeat your former opinion that the new Philippine tariff should provide for an ad valorem rather than a specific duty on precious stones, and yet you kindly offer to submit a tariff schedule based on specific rates.

In reply I beg to advise you that the Department would be pleased to have you submit a specific classification for precious stones, and

would add that the tariff will apply alike to goods shipped either from the United States or other countries.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

ALBERT LORSCH & Co.,
37 and 39 Maiden Lane, New York City.

NEW YORK, *April 11, 1901.*

SECRETARY, WAR DEPARTMENT,
Washington, D. C.

SIR: In reply to your favor of the 8th instant, we beg to state that in case the Department should decide to levy a specific duty on precious and imitation stones, we would respectfully recommend the following:

All agates intended for jewelry purposes, $4 per kilogram, net weight.

Amethysts, topaz, garnets, moonstones, and other semiprecious stones: At the value of $1 or less per pennyweight, 10 cents; all above, 25 cents.

Opals: At the value of $1 per carat, 10 cents; above, 30 cents.

Diamonds, rubies, sapphires, emeralds, and other precious stones: At the value of $30 per carat and below, $2; $31 to $100, $5; above $100, $10.

Pearls, round, split, and drilled: At the value of $5 and below per carat, 40 cents; $5 to $10, 75 cents; $10 to $20, $1.50; above $20, $3.

Doublets: In case these come under a separate heading, we respectfully submit duty to be $5 per hectogram.

Imitation stones: Value 50 cents per gram or below $1 per kilogram; 50 cents to $3, $5 per kilogram; up to $5, $10 per kilogram; up to $10, $20 per kilogram; all above, $30 per kilogram.

We beg to state again that we consider a specific duty on this class of goods entirely unpracticable, and as an illustration send you samples, namely:

	Cost, per gram.	Weight, per kilo.	Duty at $1 per kilo.
	Cents.	*Grams.*	*Per cent.*
No. 1	8	100	12½
No. 2	50	100	2
No. 3	50	100	2
No. 4	50	200	1

As you will see, a specific duty will always discriminate against the cheaper goods, as No. 1 and 2 show. No. 3 and 4 are the same qual-

ity stone, used for the same purpose, cost the same, but No. 4, being a smaller size stone, the duty on the same would be one-half that of No. 3, as above. We do not think it is practical to subdivide the prices more than above, but at the same time on that basis the duty on one item is 1 per cent while on another it is 12½ per cent. The same applies to imitation pearls, but in a more pronounced degree. These above objections apply to precious stones as well. As this class of goods can not be imported from the United States on account of the duty, we would respectfully recommend either a general ad valorem duty of 10 per cent or some classification of duty ad valorem as is paid into this country.

If a representative of your Department would be in the city we would gladly explain matters to him, as it is almost impossible to do so in writing.

Yours, truly,

ALBERT LORSCH & Co.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 13, 1901.

GENTLEMEN: By direction of the Secretary of War I have the honor to acknowledge the receipt of your letter of the 11th instant, submitting, as requested, a specific rate for precious stones for the new Philippine tariff, some samples of imitation precious stones, and repeating the statement that in your opinion a specific rate for this class of merchandise is unpracticable.

In reply I beg to thank you for the interest you have taken in this matter, and to advise you that the entire subject will receive the careful consideration of the Department when the final revision of the tariff is made.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

ALBERT LORSCH & Co.,
37 and 39 Maiden Lane, New York City.

[Memorandum for Colonel Edwards.]

An examination of the following customs tariffs shows how the subject of "Precious stones" is treated therein, which subject is treated of in Class I, group 7, of the proposed Philippine tariff.

Country.	No.	Articles.	Duty.
		Precious stones:	
United States	545	Uncut	Free.
	435	Cut, not set, ad valorem	10 per cent.
	435	Imitations of, ad valorem	20 per cent.
Canada	348	Precious stones, ad valorem	10 per cent.
Mexico	362	Diamonds, cut, not set, per gram	$12.50.
	368	Emeralds, rubies, and sapphires, not set, per gram	$7.50.
	372	Precious stones not specially mentioned, hectogram	$5.00.
Austria-Hungary	248	Precious and half-precious stones, corals (genuine and imitated), dressed (i. e., cut, split, or otherwise prepared); genuine pearls; all these articles unset, 100 kilos.	$9.74.
Belgium	93	Jewelry	Free.
Denmark	39	Jewelry, 100 pounds	$9.06.
France	1756	Precious stones, rough or cut	Free.
	176	Agates and other similar stones (this includes the quartz group) rough.	Free.
		Wrought, 100 kilos	$3.47.
Germany	33	Precious, demiprecious stones, unset, 100 kilos	$14.28.
Italy	255	Precious stones, wrought:	
		a. Rubies, emeralds, diamonds, etc, per hectogram	$2.70.
		b. Agates, opals, onyxes, etc, kilo	$1.74.
Norway	537	Precious stones and imitations thereof, cut or polished	Free.
Portugal	91	Precious stones, ad valorem	2 per cent.
Russia	67	Precious and semiprecious stones, real or imitation, rough or cut in facets, Funt (about 1lb).	$0.21.
Sweden	249	Precious stones, not set	Free.
Switzerland	357	Precious stones of all kinds, not set, 220 pounds	$5.79.

From the above it appears that there is in none of the tariffs any scientific classification of precious and semiprecious stones that would allow the placing of a specific duty that would bear any close relation to the duty imposed and the value of the stones in the markets.

BL.

HERCULES GAS ENGINE WORKS,
San Francisco, Cal., March 8, 1901.

INSULAR DIVISION, OFFICE OF THE SECRETARY,
War Department, Washington, D. C.

GENTLEMEN: We note on looking over a copy of the proposed Philippine Islands tariff that the duty to be charged on gasoline is $2 per 100 kilos, or about 6 cents per United States gallon.

We beg to call your attention to the fact that there is a large demand for gasoline launches, for gasoline stationary engines, and also for gasoline stoves in the Philippine Islands, and that we, together with other manufacturers of gasoline engines, have expended large sums of money in endeavoring to introduce our machinery in the Philippine Islands; and that if this tariff goes into effect it will make the price of gasoline so high as to entirely exclude our engines.

In that hot country gasoline stoves should be particularly well adapted for obvious reasons; and if in addition to the original cost and

transportation of gasoline a duty of 6 cents per gallon is added, it will be impossible to use these stoves. If no tariff whatsoever is charged, the cost of gasoline will be high enough, owing to the fact that the freight and insurance rates are very high on this product. Besides this, there is a considerable loss due to evaporation during transportation, particularly in tropical countries. At the present time no gasoline, except in small quantities, such as ordered by druggists, is to be had in the Philippine Islands, and the proposed tariff rate will surely render it impossible for any one to use it in quantities.

On some of the neighboring islands, and also in China and Japan, are large deposits of crude oil. We understand that even now refineries are being erected to handle this crude product. Undoubtedly they will produce a certain amount of gasoline and benzine; and if so, owing to the consequent reduction in cost of transportation from what now exists, due to the fact that gasoline must be shipped from the United States, we believe a large trade can soon be established, not only for gasoline engines but stoves as well.

We had just about concluded arrangements with a firm in Manila for a large shipment of gasoline launches, and when we saw the proposed tariff rate we felt compelled to notify our customers of this condition of things, and the transaction is held in abeyance until the tariff rate is definitely settled.

Trusting, after due consideration, you will deem it advisable to reconsider this tariff rate, and either do away with it altogether or very materially reduce it, we are,

Very respectfully, yours,

HERCULES GAS ENGINE WORKS.
THEO. POINDEXTER, *Manager.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 15, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 8th instant with reference to the duty placed upon gasoline in the proposed Philippine tariff.

In reply, I beg to advise you that your communication will receive careful consideration in the final revision of the tariff by this Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

HERCULES GAS ENGINE WORKS,
San Francisco, Cal.

NEW YORK, *June 6, 1901.*

The SECRETARY OF WAR,
Washington, D. C.

SIR: The tariff of the Philippine Islands being under discussion, I beg to call attention to Nos. 8 and 9 of group 3 in the "Proposed Tariff," from which it appears that crude petroleum is to pay a duty of 10 cents per 100 kilos and refined oil for illumination or lubrication a duty of $1.25 per 100 kilos—more than ten times as much.

This difference will probably exclude from the market all American refiners and shippers other than the Standard Oil Company, as this latter corporation will, from the nature of the business, probably be the only one in position to take advantage of such a tariff and ship crude oil from here for refining in the islands. In the interest therefore of others not in the Standard Oil Company, and who would like to derive some benefit of the trade in the East, I protest against the enactment of the said clauses, and claim that either the duty on refined oil should be considerably reduced or on crude oil raised.

Yours, truly,

S. E. HEYMANN.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., June 8, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 6th instant, calling attention to the respective rates applied in the proposed Philippine tariff to crude and refined petroleum and protesting against the same, asking that the rate on crude be raised or the duty on refined be made lower.

In reply I beg to advise you that your communication will receive careful consideration by the Department when the rates in the oil schedule are taken up for final adjustment.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

By ALEX R. SPEEL.

S. E. HEYMANN,
2 and 4 Stone Street, New York City.

WAR DEPARTMENT,
Washington, June 28, 1901.

SIR: I have the honor to advise you that in the Philippine tariff, now under consideration by this Department, there occurs the following:

6. The following shall be considered:

(*a*) As crude oil derived from schists, those obtained from first distillation, distinguished by their density of from 900 to 920 thousandths of a degree, or from 66 to

57½ of a centesimal areometer, equal to from 24 degrees and 69 hundredths to 21 degrees and 48 hundredths cartier.

(*b*) As crude and natural petroleum, that imported in the state in which found when extracted from the well and which had undergone no operation whatever, whereby the natural chemical composition is altered or modified. When gradually and continuously distilled up to a temperature of 3,000 C., this petroleum must leave a residum exceeding 20 per cent of its primitive weight.

In connection therewith, I beg to request an expression of your views as to whether the above description is proper, and if not, the preparation of one that will be practicable and intelligible to the customs officers at Philippine ports.

Very respectfully

ELIHU ROOT,
Secretary of War.

The SECRETARY OF AGRICULTURE.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., July 11, 1901

The SECRETARY OF WAR.

SIR: In answer to your inquiry of the 28th ultimo regarding the schedules of the proposed Philippine tariff on imported mineral oils, I desire to make the following statements:

Section 6 (*a*), quoted by you, refers to oil which is distilled from shales or slates in distinction from oil which flows freely and without previous mechanical extraction; (*b*) refers to crude mineral oil or petroleum flowing freely by pumps or otherwise, and without mechanical extraction from the sands or shales in which it exists. I would suggest the following modifications of the former Spanish classification so as to make the language clear to our customs officers:

6. The following shall be considered:

(*a*) As crude oil derived from the distillation of slates or schists, those obtained from first distillation having a specific gravity of from 900 to 920, at a temperature of 70° F., or, measured on a Baumé scale for fluids lighter than water, give a reading of about 27 (corresponding to a specific gravity of about 900) to 22 (corresponding to a specific gravity of about 924).

I would suggest the omission of the other part of the description as being in terms not usually understood by American customs officers.

(*b*) As crude and natural petroleum, that imported in the state in which found when extracted from the well, and which has undergone no operation whatever, whereby the natural chemical composition is altered or modified.

When gradually and continuously distilled up to a temperature of 300° C., this crude natural petroleum must leave a residuum exceeding 20 per cent of its primitive weight.

This minimum amount of matter not volatile at 300° C. appears to be sufficiently low. In looking over a large number of reports of crude petroleum from all parts of the world there are very few examples found where the amount of substance remaining after being

distilled at a temperature of 300° C. is less than 20 per cent. This, therefore, seems to be a safe minimum.

I notice that there is no provision made for the refined or distilled petroleum. The classification of refined or distilled petroleum may be made as follows:

	Boiling point.	Specific gravity.
Light oils.		
	°C.	
Petroleum ether (kerosene, rhigolene, Sherwood oil)	40 to 70	0.650 to 0.660
Gasoline	70 to 80	0.640 to 0.667
Petroleum naphtha:		
Petroleum benzine	80 to 100	0.667 to 0.707
Ligroine	110 to 120	0.707 to 0.722
Cleansing oil	120 to 150	0.722 to 0.737
Burning oils.		[Boiling point 150° to 300° C.]
Kaiser oil		0.780 to 0.800
Illuminating oil:		
American		0.800 to 0.810
Russian		0.820 to 0.825
Standard white oil		0.808 to 0.812
Prime white oil		0.800 to 0.806
Astraline		0.850 to 0.860
Heavy oils.		
Solar oil		0.860 to 0.880
Mixing oil		0.880 to 0.890
Spindle oil:		
I		0.895 to 0.900
II		0.900 to 0.906
Machine oil:		
I		0.906 to 0.910
II		0.910 to 0.915
Cylinder oil:		
Bright		0.915 to 0.920
Dark		0.920 to 0.950
Vulcan oil		0.910 to 0.960

The above specific gravities and boiling points of standard varieties of refined oil may be regarded as sufficiently accurate for customs purposes, in case a duty on refined oils entering the Philippines is levied.

The quantity of shale oil, described in section 6 (*a*) above, is very small compared with the petroleum oils, in so far as the production of this country is concerned. It is probable that the amount of such oil brought into the Philippine ports will be proportionately small. The Russian product, which is probably most frequently brought into the Philippines, is mostly natural petroleum.

For dutiable purposes, therefore, section (*b*), the crude oils and the refined oils described above would probably be the most important.

I have the honor to be, sir, your obedient servant,

JAMES WILSON, *Secretary.*

JULY 3, 1901.

TAFT, *Manila:*

With reference to the new tariff thought here differential between crude and refined oil too great. Will probably result in establishment of refinery and loss of revenue. Suggested 40 cents on crude, $1 on refined. What do you recommend?

EDWARDS.

[Cablegram.]

MANILA, *July 13, 1901.*

SECRETARY OF WAR, *Washington:*

With reference to your telegram of 3d, strongly oppose proposed charge; crude oil necessary fuel, industrial purposes; coal high; poor refinery; altogether improbable, though beneficial; further reduction duty refined oil aready reduced one-half will reduce revenue.

TAFT.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 13, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to request that you mail to this division a copy of the "List of national, State, and local commercial organizations," issued by your Commission, for the use of the mailing clerk.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

INTERSTATE COMMERCE COMMISSION,
Washington, D. C.

MANUFACTURERS AND PRODUCERS ASSOCIATION OF CALIFORNIA,
San Francisco, March 7, 1901.

The SECRETARY OF WAR,
Washington, D. C.

SIR: We beg to acknowledge, with thanks, the receipt of a copy of the "Proposed customs tariff for the Philippine Islands," and we send you herewith a copy of the only review of same appearing in the morning dailies of this city.

Referring to our letter of December 3, 1900, and to the list of commercial bodies therein spoken of, it has been the hope of this association that steps might be taken to place the information contained in this tariff bill fully before the manufacturers and producers of the Pacific coast, that those so deeply interested might have before them the data necessary to serve as a basis for suggestions and recommendations if any are desired to be made.

If all of the commercial organizations of the Pacific States have not already been supplied, may we ask that at least one copy be sent to each of those in the "List of national, State, and local commercial organizations" issued by the Interstate Commerce Commission at

Washington. We are informed by the chamber of commerce of this city that a copy has not been received by that body.

In order to reach as many as possible by means of the copy supplied to this association, we shall have to cut it up and reproduce parts of it. For this reason will you have the kindness to supply us with two or three additional copies, if possible.

Respectfully,

MANUFACTURERS' AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
By CHARLES E. BANCROFT, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March, 13, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 7th instant, asking that the information contained in the proposed customs tariff for the Philippines be placed fully before the manufacturers and producers of the Pacific coast.

In reply, I beg to advise you that copies of the proposed customs tariff were sent to the trade papers, several newspapers, and many of the commercial bodies of the Pacific States, as well as to a number of private individuals. The Interstate Commerce Commission has been requested to furnish this Division with a "list of national, State, and local commercial organizations," and as far as possible they will be supplied with copies of the proposed tariff. As requested, three additional copies have been mailed you under separate cover.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

MANUFACTURERS' AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
Rooms 2 and 3, sixth floor, Mills Building, San Francisco, Cal.

MARCH 13, 1901.

SIR: I beg to inclose herewith for your information a copy of the proposed Philippine tariff now under consideration by this Department, copies of which have been furnished chambers of commerce and similar bodies throughout the United States and to numerous trade papers.

You will notice that recommendations and suggestions are invited until April 15 next, to be considered with a view to amendments before final publication.

The Department will be pleased to furnish further copies of this tariff should you indicate a desire for the same.

Very respectfully,

ELIHU ROOT, *Secretary of War.*

The SECRETARY OF STATE.

MANUFACTURERS' AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
San Francisco, March 28, 1901.

The SECRETARY OF WAR,
Washington, D. C.

SIR: Examination of the proposed Philippine customs tariff, printed copies of which you had the kindness to transmit to this association, indicates certain apparent discrepancies in statement to which I desire to call your attention.

On page 16, section 7, it is stated "duties shall be paid in United States money," and that the peso shall be received at the rate of 50 cents in United States money, etc.

On page 4 it is stated that the duty on coal has been reduced 50 per cent. The duty under the existing tariff is 50 cents in silver pesos per 100 kilos. Under the proposed tariff it is 25 cents United States money per 1,000 kilos. This indicates no actual reduction in the rate of duty, owing to the difference in value of the silver peso and of United States money.

On page 5 it is stated that the duty on wheat flour is reduced to $\$1.11\frac{4}{11}$. In the proposed tariff schedule, on page 42, the rate on wheat flour is given as 75 cents per 100 kilos.

As the proposed tariff is a matter of considerable moment to our people in this State, and as it is intended to lay before you early in April a communication from our commercial bodies on the subject, will you have the kindness to send us a telegraphic reply to this letter on the points below named, viz:

1. Are duties under the proposed tariff payable in United States gold or its equivalent? This question will be understood to be answered affirmatively if you reply in the words "United States money."

2. Is the proposed rate of duty on wheat flour 75 cents or $\$1.11\frac{4}{11}$ per 100 kilos? Please reply, "Wheat flour, 75 cents," or "Wheat flour, $1.11," as the case may be.

Although there is only a slight doubt in our minds on these points, it seems important that the doubt should be removed, and we therefore hope to have the early telegraphic reply requested.

Very respectfully,

MANUFACTURERS' AND PRODUCERS' ASSN. OF CALIFORNIA,
By CHARLES E. BANCROFT, *Secretary.*

APRIL 2, 1901.

CHARLES E. BANCROFT,
Secretary, Manufacturers' and Producers' Association of California, Mills Building, San Francisco, Cal.

United States money. Assumed wheat flour 75 cents.

EDWARDS, *Lieutenant-Colonel.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 4, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 28th ultimo, submitting remarks regarding the proposed Philippine tariff and asking a telegraphic response to certain questions.

In reply I beg to advise you that on the 2d instant the Department wired you as follows:

United States money. Assumed wheat flour 75 cents.

As to the statement that the duty on coal, which under the existing tariff is 50 cents in silver pesos per 1,000 kilos, has been reduced 50 per cent, I would say that certain surtaxes under the present tariff make the actual duty $0.982 in silver pesos, so that it would appear that a reduction of 50 per cent is proposed.

The statement in the Commission's letter of transmittal that the duty on wheat flour is reduced to $1.11\frac{4}{1}$, while the rate in the schedule is given at 75 cents per 100 kilos (practically one barrel), is a discrepancy which the Department has not been able to reconcile, although it is assumed that the schedule rate of 75 cents per 100 kilos is the rate adopted by the Commission.

The communication from the commercial bodies of your State, which you say will be forwarded early in the present month, will receive careful consideration by the Department in connection with the final revision of the tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V., Chief of Division.

CHARLES E. BANCROFT,
Secretary Manufacturers' and Producers' Association of California, Mills Building, San Francisco, Cal.

SAN FRANCISCO, CAL., *April 5, 1901.*

The SECRETARY OF WAR,
Washington, D. C.

SIR: We, the undersigned commercial organizations of San Francisco, having examined the proposed customs tariff for the Philippine

Islands and having consulted with the various interests in this State concerned in same, respectfully represent to you that we desire not to offer numerous suggestions or recommendations, knowing the question of revenue to be obtained to be one of importance and believing that the subject as a whole has had the careful and able attention it deserves. We therefore confine ourselves to the few following suggestions, these being of such importance to this State, however, that we trust that they may be favorably considered and the proposed tariff amended accordingly:

First. No. 292 (*b*). Under this number the proposed rate of duty on wheat flour is fixed at $0.75 per 100 kilos, N. W.

While it is true that this is a reduction from the existing rate of duty, we most earnestly point out that the rate should be further and materially reduced in view of the facts—

(*a*) That the imports of flour will naturally and mainly come from this country, and (*b*) that it is a tax of about 30 per cent upon what is the leading necessity of life or which may be made such in the Philippine Islands under a favorable tariff rate. Our flour manufacturers have made and are making the utmost endeavors to introduce wheat flour in the Orient as food for the common classes. These efforts have met with a reasonable degree of success, notably in China, where, however, no duty is imposed on flour.

Second. No. 297. Under this number the rate on prepared cereals for table use is $2 per 100 kilos, N. W.

This tax amounts to very nearly the prime cost of the prepared articles themselves before packing, or nearly 100 per cent on the prime cost of articles which, while not an absolute necessity of diet, are so generally used that they have come to be regarded as almost a necessity, and we think should be more moderately taxed.

Third. No. 301.

It is our understanding that this number includes the articles named under 30 when packed in bulk, and that it also includes dried prunes and all other dried and desiccated fruits however packed.

The rate of duty here fixed is $0.75 per 100 kilos, N. W., or about one-third of a cent per pound.

We ask that this be amended as follows:

No. 301:

(*a*) The same fruits in bulk, and all other dried and desiccated fruits, however packed, not elsewhere specially provided for, N. W., per 100 kilos. $0.75

(*b*) Dried prunes, however packed, running 175 prunes or more to a kilo, N. W.....per 100 kilos.. .25

This petition is made in view of the fact that the growing and curing of prunes is one of the most important industries of this State, and that, although California prunes have come to be widely used in the United States and in other countries as a wholesome and nutritious

article of food, an increased market is greatly needed to consume our product. There is now remaining on hand unsold a considerable portion of last year's crop, and the crop of this year is expected to be very large. The object of the amendment suggested is to place such a low rate of duty on the smaller or lower grades of prunes (running from 80 to 120 prunes to a pound) as, it is hoped, to enable such grades to be widely used as an article of food by the mass of the people of the Philippine Islands, while not changing the proposed rate on those grades running from 80 to 40 prunes to a pound.

Fourth. No. 10. Benzine, gasoline, etc., G. W., per 100 kilos, $2.

In this connection we desire to state that the manufacture of gasoline engines for stationary and marine purposes is an important and growing industry in this State, and that the Philippine Islands offer a most valuable market for such engines for use in launches and otherwise, and also, it is believed, for gasoline stoves. Under the existing tariff, gasoline is not to be found in the Philippines except in small quantities, such as ordered by druggists, and it can not be expected that, under the proposed rate of duty, which amounts to about 6 cents per United States gallon, to which must be added the high cost of transportation and insurance, it can be used generally for the purposes referred to.

We therefore desire to recommend, in the order stated:

1. That no duty is levied on gasoline.

2. If it be deemed necessary to levy a duty on gasoline, that it be materially reduced from the proposed rate and made to apply to the net weight, so that empty containers may be returned to this country. It may be necessary to employ very heavy containers.

Fifth. No. 8. Crude petroleum, etc., G. W., per 100 kilos, $0.10.

While it is true that the proposed rate is very low, the proposed rate on coal is relatively lower. The production in this State of petroleum well suited for use as fuel has enormously increased during the past two years, and there is every prospect, owing to the extensive development operations under way in many parts of the State, that the production hereafter will be far greater than at present.

A large market for our crude oil has been and is being opened in the Hawaiian Islands, and it is most important to this valuable industry of the State that it should have every advantage possible in the large market that may be open for it in the Philippine Islands. We, therefore, recommend that no duty be levied on crude petroleum.

Respectfully submitted.

MANUFACTURERS' AND PRODUCERS' ASSN. OF CALIFORNIA,
By A. SBARBORO, *President.*

SAN FRANCISCO CHAMBER OF COMMERCE,
By GEO. A. NEWHALL, *President.*

MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
San Francisco, April 9, 1901.

The SECRETARY OF WAR,
Washington, D. C.

SIR: Supplementing our communication dated April 5, relating to the proposed Philippine tariff, we desire to state that a member of this association has pointed out that considerable progress has been made in this State in putting up condensed milk and cream (No. 296 of the tariff) and that there is a good prospective demand in the Philippine Islands for salt cod and other fish (Nos. 288 and 289) put up on the Pacific coast.

If it be possible to admit No. 296 free of duty and to fix a lower rate on Nos. 288 and 289 it would be of material assistance to these Pacific coast undertakings.

Respectfully,

MANUFACTURERS AND PRODUCERS' ASSN. OF CALIFORNIA,
By A. SBARBORO, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 15, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of the statement signed by yourself and the president of the Manufacturers and Producers' Association of California, relative to certain provisions of the proposed Philippine tariff, in which the people of the Pacific coast are interested.

In reply I beg to advise you that the same will be given consideration when the final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

GEO. A. NEWHALL,
President San Francisco Chamber of Commerce,
San Francisco, Cal.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
OFFICE OF INSULAR AFFAIRS,
Washington, D. C., April 15, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of the statement signed by yourself and the president of the San Francisco Chamber of Commerce, relative to cer-

tain provisions of the proposed Philippine tariff, in which the people of the Pacific coast are interested.

In reply I beg to advise you that the same will be given consideration when the final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

A. SBARBORO,
President Manufacturers and
Producers' Association of California.

SAN FRANCISCO, CAL., *July 18, 1901.*

The SECRETARY OF WAR,
Washington, D. C.:

We respectfully urge, in interest of important coast industries, withholding final action on Philippine tariff until communications can be sent by mail. Kindly wire us if time.

CHAMBER OF COMMERCE OF SAN FRANCISCO,
GEORGE A. NEWHALL, *President.*
MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
A. S. BARBARO, *President.*

JULY 20, 1901.

PRESIDENTS CHAMBER OF COMMERCE AND MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
San Francisco, Cal.

Secretary will not return until Monday. Philippine tariff completed and will be sent about 24th to Manila. Special consideration has been given suggestions and recommendations from Pacific coast. However, will bring matter to Secretary's special attention on arrival.

EDWARDS,
Chief Division Insular Affairs.

THE CHAMBER OF COMMERCE OF SAN FRANCISCO,
San Francisco, July 22, 1901.

The SECRETARY OF WAR,
Washington, D. C.

SIR: Since our communication to you of April 5, in reference to the suggested changes in the proposed Philippine tariff, several important matters have been brought to our attention. As we did not know

whether there was still time to make any additional suggestions, we wired you on the 18th instant as follows:

We respectfully urge, in interest of important coast industries, withholding final action on Philippine tariff until communication can be sent by mail. Kindly wire us if time.

To this reply was received from your Department as follows:

Secretary will not return until Monday. Philippine tariff completed and will be sent about the 24th to Manila. Special consideration has been given suggestions and recommendations from Pacific coast. However, will bring matter to Secretary's special attention on arrival.

Consequently, in view of the importance of the matter, we again telegraphed you to-day:

In proposed Philippine tariff released March 7, canned fruits, salmon, prohibitory equals ad valorem tax fruits in sirup and salmon 40 per cent; pie fruits, 65 per cent. Not luxuries, but consumed by laboring classes. Respectfully urge material reduction in behalf Pacific coast industries.

In the telegrams referred to as being sent by us above, we are joined by the Manufacturers and Producers' Association. The proposed tariff to which we refer is the one that was sent out by your Department marked: "To be released, a. m., March 7, 1901." As we are not aware of the contents of the tariff which is about to be sent to the Philippine Islands, it is possible that some of the changes which we have mentioned above may have been already made. By referring to the proposed tariff marked "Released," on page 44, No. 329, canned salmon is subjected to a duty of 5 cents per kilo, net weight. The large trade in the Philippines for this commodity will undoubtedly be confined to the cheaper grades, for it has been demonstrated that natives of the Malay race are large users of the American canned salmon. The trade in the Malay Peninsula, Netherlands India, the Celebes Islands, and Borneo bear evidence of this fact by the rapidly increasing demand.

The average value of the cheaper grade of canned salmon is 70 cents per dozen, 1 pound tins, equal to about 6 cents per tin, with a duty at 5 cents per kilo, net weight. Practically a prohibitive tariff is placed upon this commodity, as it will amount to 28 cents per dozen, or 40 per cent of the value.

On page 45, No. 334, canned fruits of the class known as pie fruits will be subject to a duty of $3.50 per 100 kilos, gross weight.

The average value of pie fruits is $2.25 per dozen, and the duty would be $1.44 per dozen, or 65 per cent.

Canned fruits preserved in sugar are subject to a duty of 5 cents per kilo, net weight; the average value of what are termed 2½ pound tins would be $1.20 per dozen or 10 cents per tin. The duty would amount to 4.1 cents per tin, equivalent to 48 cents per dozen, or 40 per cent of the value.

We submit that such a duty is absolutely prohibitive and classes canned salmon and canned fruits, largely staples throughout the world, among the luxuries, and thus deals a blow to two of the leading industries of the Pacific coast.

Commending this subject to your courteous consideration, I have the honor to subscribe myself,

Your obedient servant,

E. SCOTT, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 31, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 22d instant, quoting telegrams of prior date and urging a reduction in rates on canned salmon and canned fruits in the new Philippine tariff.

In reply, I beg to advise you that, as stated in the Department's letter of the 25th instant, Mr. W. Morgan Shuster was instructed to call on you while en route to the Philippines and go over the entire matter, and was also authorized to show you the tariff as revised.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

E. SCOTT,
Secretary, Chamber of Commerce, San Francisco, Cal.

[Telegram.]

SAN FRANCISCO, CAL., *July 22, 1901.*

The SECRETARY OF WAR,
Washington, D. C.:

In proposed Philippine tariff released March 7, canned fruits, salmon prohibitory, equals ad valorem tax fruits in sirup and salmon, 40 per cent; pie fruits, 65 per cent. Not luxuries, but consumed by laboring classes. Respectfully urge material reduction in behalf Pacific coast industries.

CHAMBER OF COMMERCE,
GEO. A. NEWHALL, *President.*
MANUFACTURERS' AND PRODUCERS' ASSOCIATION,
A. SHARBORO, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 25, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your telegram of the 22d instant, urging a material reduction in the Philippine tariff on certain alimentary substances.

In reply, I beg to advise you that the arguments presented by the commercial bodies of the Pacific coast States were carefully considered by the Department and material reductions were made in some instances. Furthermore, Mr. W. Morgan Shuster, now on his way to the Philippines, has been instructed to call upon you and advise you as to what action has been taken by the Department with reference to the subjects mentioned in your telegram.

Very respectfully,

C. R. EDWARDS,
Chief of Division.

GEO. A. NEWHALL,
President, Chamber of Commerce, San Francisco, Cal.

[Telegram.]

SAN FRANCISCO, CAL., *July 22, 1901.*

The SECRETARY OF WAR,
Washington, D. C.:

In interest of important Pacific coast industries, respectfully urge favorable consideration of telegram to-day from Chamber of Commerce and Manufacturers' and Producers' Association in regard reductions in proposed Philippine tariff.

S. D. WOODS, M. C.,
Second District, California.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 25, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your telegram of the 22d instant, requesting favorable consideration of the telegram of even date signed by officers of the Chamber of Commerce and the Manufacturers and Producers' Association of San Francisco relative to a reduction of duties in the Philippine tariff on certain alimentary substances.

In reply, I beg to advise you that the representations of said bodies were carefully considered by the Department, that certain reductions

were made, and that Mr. W. Morgan Shuster, now on his way to the Philippines, has been instructed to see the presidents of the Chamber of Commerce and the Manufacturers and Producers' Association when in San Francisco and explain to them what action has been taken by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

Hon. S. D. WOODS, M. C.,
San Francisco, Cal.

SAN FRANCISCO, CAL., *July 31, 1901.*

Lieut. Col. CLARENCE R. EDWARDS,
Chief of the Division of Insular Affairs,
War Department, Washington, D. C.

SIR: In accordance with your instructions received before leaving Washington, we notified Messrs. George A. Newhall and Adrea Sbarboro, presidents of the San Francisco Chamber of Commerce and of the Manufacturers and Producers' Association of California, respectively, of our arrival here, and of your desire that we should confer with them in connection with their recent telegrams to the Department covering the proposed Philippine tariff rates on canned salmon and fruit.

Accordingly we were visited on the afternoon of the 29th by Messrs. Newhall and Sbarboro, accompanied by the following representatives of commercial interests here: Messrs. (George A. Newhall, president) William M. Bunker, trustee, and E. Scott, secretary of the Chamber of Commerce; (A. Sbarboro, president) and Charles E. Bancroft, secretary of the Manufacturers and Producers' Association; E. W. Dorr, secretary of the Alaska Packers' Association, representing the salmon-packing interests of the coast; C. H. Bently, of the California Fruit Canners' Association, representing thirty-two canneries; J. W. Littlehale, representing the Sperry Flour Company, and Louis Getz, of Getz Brothers, prominent merchants.

Mr. Charles H. Bentley, the representative of the California Fruit Canners' Association (embracing, according to information, thirty-two different plants), spoke in behalf of a substantial reduction in the proposed rates on canned and preserved fruits, as classified under paragraph 322, letters A and B, of the last paged revise. He supported the statement made in the letter of Mr. E. Scott, secretary of the San Francisco Chamber of Commerce, addressed to the honorable Secretary of War on the 22d instant, and insisted that unless a substantial reduction should be made in the rates on these articles no revenue whatever would be derived therefrom. He gave as an average price for the

"Standard" table fruits (medium grade), $1.20 per dozen 2½-pound (gross) tins, each tin containing about 2¼ pounds net of fruit. On such a tin of fruit, under paragraphs 322 B and 57, the duty would amount to about 6 cents on the fruit and one-half cent on the receptacle, or a total duty of 6½ cents on the 10-cent can of fruit. He stated the ocean freight, lighterage, etc., would amount to $0.075 per can, making such a can cost wholesale in the Philippines nearly 25 cents.

He gave as the average price for what are known as "pie fruits" $2.25 per dozen of gallon tins. Under the proposed rates these also would pay 6 cents per kilo (net), or more than 24 cents per gallon, according to the relative amounts of juice and fruits in each tin. On a dozen tins the duty would be $2.88, or more than 100 per cent of the value of the article.

Mr. Bently was requested to submit price lists or quotations covering these articles, which he did in a letter dated July 29, 1901, herewith quoted:

CALIFORNIA FRUIT CANNERS' ASSOCIATION,
203 CALIFORNIA STREET,
San Francisco, Cal., July 29, 1901.

Mr. W. MORGAN SHUSTER,
California Hotel, City.

DEAR SIR: Agreeably with your request, I beg to inclose herewith a price list as is used in the Orient. You will find the grade marked "Standards" checked on this price list; also the varieties that we are accustomed to export to the Malay Peninsula and the Straits Settlements.

Fruits which are packed in sirups are usually classed as table fruits so as to distinguish from pie fruits, which are a cheaper quality of fruit packed in water.

It might be well to explain that the goods which have been used in the Philippine Islands have been of our fanciest extra quality. These were purchased for the Army at this port. We do not anticipate any trade on these high-class goods from the natives or other residents of the islands. All of the trade that we have had up to the present time, outside of the purchases for the United States Army, have been on the standard table fruits and gallon pie fruits.

Trusting that you will feel justified in advocating a reduction of the proposed tariff on the ground that no revenue will be derived from the proposed tariff, which is prohibitory, we remain,

Very truly, yours,

CALIFORNIA FRUIT CANNERS' ASSOCIATION,
Per C. H. BENTLEY, *Sales Department.*

In the printed export list of the California Fruit Canners' Association, which he inclosed, the following quotations were given:

TABLE FRUITS.

Per dozen tins (2½ pounds gross) "standard:"	
Apricots	$1.15
Grapes, white muscat	1.05
Peaches, yellow	1.30
Plums, green gage	1.00

PIE FRUITS.

Per dozen of gallon tins:	
Apricots	$2.25
Peaches	2.25
Grapes	2.15
Gages	2.00
Pears	2.25

Mr. Bentley positively asserts that none of these fruits can be shipped from here to the Philippines in wood; that they would spoil on the way. He repeated his assertion that absolutely no revenue could be looked for under the present rates, saying that at best they hoped to build up a trade only with the cheapest grades of these articles.

Mr. C. W. Dorr, secretary of the Alaska Packers' Association, then spoke in behalf of a reduction in the rates on canned salmon, supporting the statements made in the above-mentioned letter of July 22, 1901, addressed by Mr. E. Scott to the honorable Secretary of War. He stated that only the cheapest grades of salmon would be used in the Philippine Islands, and they only provided that the price to the consumer there could be made equal to or less than that of ordinary canned meats.

Mr. Dorr gave the value of the cheaper grades of canned salmon as 70 cents per dozen 1-pound cans, or about 6 cents per can. On such a can the duty under paragraphs 317 and 57 would be about 2½ cents, or 42 per cent ad valorem. He stated that persistent effort had been made for the past year to create a market for these goods, but without success, the only sales having been made to the United States Army, which purchased one of the higher grades of salmon.

Like Mr. Bentley, Mr. Dorr insisted that experience so far had proved that no revenues would be derived from salmon importations under the rates in the proposed tariff. In the above-mentioned "export list," salmon is quoted at from 87½ cents to $1.90 per dozen 1-pound tins, according to grade. Mr. Dorr stated that his association also packed a high-grade salmon, selling at about twice as much as the cheap grade, but that no market whatever would be found in the Philippines for the more expensive brands, since the laboring classes could be induced to adopt it only provided it could be made as cheap a food as ordinary canned meats.

Messrs. Littlehale, Getz, and Bunker then spoke in behalf of reductions in the rates on wheat flour, cereals prepared for table use, and dried prunes. After having the tariff on these articles explained to them, however, they did not seriously push their claims for reductions.

After careful consideration of the data furnished by the representatives of the fruit and salmon canning industries, it is believed by us that the interests of the Philippine government and of these industries coincide in having certain reductions made in the present proposed

rates of duty on those articles. Every effort has been made by the undersigned to verify the quotations given on those articles, and they are believed to be substantially correct, though on the whole they are somewhat lower than was anticipated. If now these prices be accepted as fair ones for the cheaper grade of fruits and salmon, and if for the reasons above given the statements be accepted to the effect that only for the cheaper grades can a market in the Philippines be created, it seems logical to assume that under what is practically a revenue tariff certain reductions in the rate on these two articles should be made.

Believing therefore, from all the data obtainable here, that increased revenue would result therefrom, we have the honor to recommend the following changes in paragraphs 317 and 322 of the last paged revise of the proposed tariff.

Paragraph 317 to read as follows:

317. Salmon, cod, and herring, in cans or jars, N. W.....kilo.. .035
a. Other canned or potted fish, and sea food, such as sardines, oysters, clams, and generally all sea products, preserved in cans or jars, N. W .....kilo.. .06

Paragraph 322 to read as follows:

322. Canned or preserved fruits:
A. In wood, and those belonging to the class known as "pie fruits," packed in water, in tins or glass, N. W.....kilo.. .02
B. Others, in tin or glass, including those packed in sirups, known as "table fruits," N.W.....kilo.. .04

Mr. Andrea Sbarboro, president of the Manufacturers and Producers' Association of California, presented certain data in behalf of a reduction in the rates on common red wines, as classified under paragraph 311 A at 5 cents per liter. He stated that the ordinary California red wines were worth about 20 cents per gallon, and that the duty would, therefore, amount to 100 per cent of the value of the article. He desired a rate not exceeding 25 per cent ad valorem on California wines, and was under the impression that a differential tariff thereon could be established. He was informed that no differential rates between the two countries were to be made, but that the tariff was to be uniform for all nations, including the United States. He then suggested a differential duty based upon the amount of alcohol contained in the wines, and, at the suggestion of the undersigned, he presented his views in a letter, which is herewith quoted:

MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
San Francisco, July 30, 1901.

Messrs. W. M. SHUSTER and CHARLES A. CONANT,
California Hotel, City.

GENTLEMEN: Referring to the discussion of yesterday between yourselves and Mr. A. Sbarboro relative to the proposed Philippine tariff on No. 324 (C), common wines,

etc., we are able to state authoritatively that the percentage of alcohol in California wines coming under that number does not exceed 12 per cent.

Our information is that the percentage of alcohol in most Spanish wines coming under the same number is not less than 12 per cent.

Therefore, if a lower rate of duty may be fixed on wines coming under that number and containing not over 12 per cent of alcohol than on wines also coming under that number, but containing more than 12 per cent of alcohol an advantage in favor of California wines will be thereby secured as a partial offset to the prestige already enjoyed by Spanish wines in the Philippines by reason of established use.

Believing also that a lower rate of duty on the cheaper California wines will lead to increased consumption, and for that reason to increased revenue, we most earnestly ask that these facts be given serious consideration.

With the fullest appreciation of your courtesy and of your willingness to place this and other matters discussed before the Commission, we are,

Yours, very truly,

MANUFACTURERS AND PRODUCERS' ASSOCIATION OF CALIFORNIA,
By A. SBARBORO, *President.*

After giving this matter full consideration, it is not believed that the suggestions above made could be successfully adopted under prevailing conditions; nor is it entirely clear that it would be good policy to make such an obviously glaring distinction against Spanish and French wines, unless the system of alcoholic tests could be extended throughout the entire wine schedule, which, as above stated, is not believed to be practicable at this time.

Referring again to the above-made recommendations for paragraphs 317 and 322, it is suggested that in case the same are approved by the Department, a cablegram be sent to the Philippine Commission, stating that our recommendations on said paragraphs are approved as part of the memorandum of changes to be presented to the Commission. This cablegram should not be sent earlier than September 1.

Appended hereto are certain clippings from the local papers of this date.

Yours, very respectfully,

W. MORGAN SHUSTER,
On Special Duty.
CHARLES A. CONANT,
Special Commissioner.

[Extract from San Francisco Chronicle.]

COMMERCIAL EXPERTS HERE—TWO WAR DEPARTMENT OFFICIALS ON THEIR WAY TO MANILA.

William M. Schuster, a tariff expert of the United States War Department, and Charles A. Conant, a financial investigator for the War Office, now here on their way to duty in the Philippines, were given a luncheon at the Merchants' Club yesterday by President George A. Newhall, of the Chamber of Commerce, the other guests being A. A Watkins, George W. McNear, Abdrea Sbarboro, Frank J. Symmes, Henry F. Allen, William M. Bunker, Charles H. Bentley, and E. Scott, representatives of the different local commercial organizations.

The two visitors are specialists in their lines, and were sent out from Washington to prepare data concerning customs and financial matters, and have it available for exporters and importers in this country. From remarks made by them during the informal after-luncheon talks it would seem that the Government is eager for the commercial advancement of relations between the United States and the Oriental insular possessions, and wishes to advance the trade between Manila and San Francisco. On behalf of San Francisco, the other guests mentioned the various trade possibilities with the Philippines under a tariff fairly favorable to the products of the Pacific coast.

[Extract from San Francisco Call.]

GOVERNMENT OFFICIALS EN ROUTE TO FAR EAST—WILLIAM M. SCHUSTER AND CHARLES A. CONANT, OF THE WAR DEPARTMENT, ENTERTAINED BY COMMERCIAL MEN.

William M. Schuster and Charles A. Conant, representing the tariff and financial bureaus of the War Department, and more particularly the Division of Insular Affairs, have arrived in this city on their way to the Philippines, where they will cooperate with the civil commission.

Yesterday they were the guests of honor of President Newhall, of the Chamber of Commerce, at the Merchants' Club. Others who were present were A. A. Watkins, G. W. McNear, A. Sbarboro, F. J. Symmes, H. F. Allen, W. M. Bunker, C. H. Bentley, and E. Scott, representing the various commercial bodies of San Francisco.

Addresses were made by different members of the party, which developed many new facts relative to local trade relations with the Philippines.

In connection with the affair, Secretary Scott, of the Chamber of Commerce, says: "From the remarks of Messrs. Schuster and Conant it was easy to see that the Administration is keen on the commercial development of the Philippines and appreciates the advantage of a closer commercial connection between the islands and San Francisco."

[Extract from the San Francisco Examiner.]

GOVERNMENT EXPERTS FOR THE PHILIPPINES—CHARLES A. CONANT AND WILLIAM N. SCHUSTER THE GUESTS OF THE CHAMBER OF COMMERCE.

William N. Schuster and Charles A. Conant, representing, respectively, the tariff and financial sections of the United States War Department, and more particularly the Division of Insular Affairs, arrived from Washington on Monday last en route to the Philippines, where they will report to and cooperate with the Philippine Island Commission. Messrs. Schuster and Conant are specialists in their spheres of operation, and because of their experience in customs and financial work were selected for their very important mission. They were the guests yesterday of George A. Newhall, president of the chamber of commerce, who gave a luncheon in their honor at the Merchants' Club. Among the other guests were A. A. Watkins, George W. McNear, A. Sbarboro, Frank J. Symmes, Henry E. Allen, William M. Bunker, Charles H. Bentley, and E. Scott, representing the different commercial organizations. There were addresses by Mr. Conant, Mr. Schuster, President Newhall, and Mr. Watkins, in the course of which many interesting facts relative to our trade relations with the Philippines were developed.

[This receipt is used for official, free, and franked matter received for registration.]

WASHINGTON CITY POST-OFFICE, REGISTRY DIVISION,
Washington, D. C., June 19, 1900.

Received from Customs and Insular Division, War Department, one piece,
Addressed to— Destination.
Maj. Gen. Arthur MacArthur, military governor of the Philippines....Manila, P. I.
JAMES P. WILLETT, *P. M.*,
Per ——— ———

Chicago, Ill., April 9, 1901.

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

SIR: In compliance with your request for suggestions and recommendations before the promulgation of the tariff law of 1901, proposed by the United States Philippine Commission, we beg to call your attention to the following items in which we and the provision packers of the United States generally are interested:

1. In Class XII, 284, we note that "meat, salted or in brine," is subjected to duty upon gross weight. We think that the effect of thus enhancing the cost of these necessary food products to the consumer by compelling payment of duty upon the package and the salt used for the preservation of its contents will not only restrict consumption, but will also tend to the too moderate use of salt, which is absolutely necessary to preservation. As the package and necessary salt will add about 25 per cent to the net weight, the cost of these must be added to that of the product, and as importers can not reimburse themselves by any profitable conversion of the package or brine, it appears to us to be a hardship upon the manufacturer and consumer that duty should be imposed where the articles taxed are simply for the safe transportation of the product.

We beg also to call your attention to what appears to us to be unnecessarily discriminative, where, in the same class (285) "hams, bacon and other meats, smoked or cured, also sausages not in cans" are subjected to as high a duty as $3 per 100 kilos, N. W. These articles of consumption when subjected to high duties, are very detrimentally affected; and we beg to suggest a reduction of $1 per kilo from the rate appearing in the act. We desire to suggest also that "sausages, not in cans" should be classed separately from "hams, bacon and other meats, smoked or cured," inasmuch as their use is restricted to the poorer classes and, in our opinion, should be subject to the same rate of duty as "salted meats." It is well known that when sausages are packed in cans they are of a superior quality and might therefore be properly subjected to the same duty as hams, bacon, etc., but the consumption of the less expensive kinds of sausage, we feel, should not be restricted to high duties.

2. In Class XII. 286 we note that "lard" is subjected to duty upon net weight, while (287) "cottolene and all imitations of lard" have to pay upon gross weight.

We respectfully suggest that this product, being now of universal use, should be subjected to the same terms of entry as lard, and that the duty should be imposed upon net weights, as in the case of lard, and not upon gross weight as is provided for in this act.

In group 6 of same class (327) we note that canned or potted meats, etc., "not spiced or highly seasoned," are subject to duty of 5 cents per kilo. We also note that another item (328) provides for a duty of 20 cents per kilo on similar articles of a higher grade, and we feel that much confusion may arise in the dutiable classification of the lower grades of such articles at port of entry, even when there is manifest intent that the lower duty should apply. Quotations based upon inquiries for prices of the lower grade of goods, when given upon the basis of the 5-cent duty, might be subjected to the 20-cent duty, and the correction of such possible errors might involve very great inconvenience and annoyance to the importer as well as to the manufacturer. The opportunity for this is all the greater when it is considered that all potted meats are spiced and that none is packed, as far as we know, without being spiced. We therefore suggest that (in No. 327 of group 6) the words "not spiced or highly seasoned" be stricken out. The market price of all such product is, we respectfully submit, the fairest and most certain basis for classification, and we beg to suggest that upon all articles in No. 327 of group 6 the duty named therein should apply when the value of fourths per dozen cans does not exceed $1 and when the value of halves per dozen cans does not exceed $1.75. These are the standard trade sizes for the ordinary qualities of potted meats, and the prices named will differentiate these qualities from those of the higher grade.

In Class XII (283) we note "dead poultry and game, dressed or undressed," and in 348 of same class, "butter," are all subject to a rate of 5 cents per kilo. This rate will be especially prohibitive on poultry, and, although there is at present no trade in this article with the Philippines, it is quite possible that some export business in frozen poultry could be developed later on when regular refrigerator lines for transportation are established upon the Pacific coast.

We are interested and deal largely in all the different products mentioned above, and of course are anxious that all outlets for the expansion of trade relations with the Philippines should be as free from restriction as possible. We therefore respectfully submit the suggestions herein and trust they may meet with your approval.

Respectfully,

ARMOUR & CO.
GEO. J. BRINE.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 12, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 9th instant, calling attention to several features of the proposed Philippine tariff relating to salted meat, meat in brine, hams, bacon, sausages, lard, cottolene, canned or potted meats, dead poultry and game, etc.

In reply I beg to advise you that your statements will be given careful consideration when the final revision of the tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-Seventh Infantry, U. S. V.,
Chief of Division.

ARMOUR & CO.,
205 La Salle Street, Chicago, Ill.

Hon. ELIHU ROOT, APRIL 10, 1901.
Secretary of War, Washington, D. C.

SIR: In our communication of the 9th instant to you, upon the duties proposed by the United States Philippine Commission, we find that a clerical error appears in the third paragraph on the first page, seventh line, where it is suggested by us that $1 per kilo should be deducted from the duty proposed by the Commission upon hams, bacon, and other meats, etc. This, of course, should read $1 per 100 kilos, as the $3 rate which is proposed in the act applies to that quantity and not to the lesser quantity. Although the error is apparent, we call your attention to it and ask that it be corrected.

Respectfully yours,

ARMOUR & CO.
GEO. R. BRINE.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., May 29, 1901.

GENTLEMEN: Referring to your letter of April 9, 1901, addressed to the Secretary of War, in reference to changes in the proposed Philippine tariff, there is on the second page thereof the following:

* * * We beg to suggest that upon all articles in No. 327 of group 6 the duty named therein should apply when the value of one-quarters, per dozen cans, does not exceed $1, and when the value of one-halfs, per dozen cans, does not exceed $1.75.

The Department desires to be informed whether the weights expressed above refer to pounds or kilograms, as the metric system is used throughout in the tariff, and is the system generally employed for export trade.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-seventh Infantry, U. S. V.,
Chief of Division.

ARMOUR & CO.,
205 La Salle Street, Chicago, Ill.

JUNE 1, 1901.

CLARENCE R. EDWARDS,
Lieut. Col. Forty-seventh Infantry, U. S. V.,
Chief of Division of Insular Affairs,
War Department, Washington, D. C.

DEAR SIR: Replying to your valued favor of the 29th ultimo inquiring as to weights mentioned in the following paragraph, viz:

* * * We beg to suggest that upon all articles in No. 327 of group 6 the duty named therein should apply when the value of one-quarters, per dozen cans, does not exceed $1, and when the value of one-halfs, per dozen cans, does not exceed $1.75.

We beg to state that the one-quarters and one-halfs, per dozen cans, above mentioned refer to pounds and not to kilograms.

Yours, very truly,

ARMOUR & CO.,
GEO. J. BRINE.

NEW YORK, *March 8, 1901.*

Hon. R. L. EDWARDS,
Chief Bureau of Insular Affairs,
War Department, Washington, D. C.

DEAR SIR: We have been advised that the Government contemplates making changes to the customs tariff for the Philippine Islands, and have seen the schedule proposed for paper and its manufactures. Our interest in the matter is mainly in regard to news or printing papers, of which we are large manufacturers and exporters, and while our views of the question are somewhat based on the commercial side, we would beg to submit to you reasons besides those of self-interest which seem to warrant that the tariff on paper for printing purposes should be taken off entirely, or should at least be fixed at a much lower rate than the one proposed, of $1.50 gold per 100 kilos. A rate of $1.50 per 100 kilos would increase the cost of the paper by at least seven-tenths of a cent per pound. Adding to this the high price it has to pay for transportation from any of the sources of supply to

Manila the total cost makes almost prohibitive the use of an article which should be cheapened as much as possible to aid the Government in the work of education which it is carrying on in our new possessions. No one can question the educational value of the newspaper, and it is due to the great cheapening of the price of the article itself that the newspaper has been able to spread this education so widely among the masses. The large sums which are being spent at present and which will continue to be spent by the Government in the establishment of schools for the education of the Filipinos prove the interest we have in enlightening the population of the islands, and I am sure that no better element could be used by the Administration in carrying out this work than a well-established, well-conducted press, which could carry into many homes, at a small cost, such information of general affairs and of our system of government as would aid in after life the work begun at the public schools. As the Administration can in no way aid publications, it can at least lighten the burden of the publisher by either abolishing the tariff on the material used by him or by placing only a nominal duty upon it, instead of adding 35 per cent of its original value to the price already increased by a transportation charge from manufacturing centers amounting to at least 40 per cent of the original value.

I would respectfully ask that due consideration be given to this matter, and beg to express this hope that in making up the new tariff for the Philippines these reasons will be duly considered.

Yours, respectfully,

INTERNATIONAL PAPER COMPANY,
Per T. W. SPICER,
Manager Export News Division.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 11, 1901.

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 8th instant with reference to the duty suggested in the proposed Philippine tariff on print paper.

In reply I beg to advise you that your communication will receive careful consideration in the final revision of the tariff by this Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

INTERNATIONAL PAPER COMPANY,
30 Broad Street, New York City.

INTERNATIONAL PAPER COMPANY,
New York, March 9, 1901.

Mr. CLARENCE R. EDWARDS,
Chief Insular Division, War Department,
Washington, D. C.

DEAR SIR: I have before me that portion of the proposed Philippine tariff which contains the schedule for paper and its application, chapter 8, and find that the tariffs are very high, the rate being $3 per 100 kilos, which is equivalent to about 68 per cent upon the price f. o. b. this country of ordinary news paper.

I understand that this tariff is now in your hands, and if so I should be glad to know when, if at all, we could have a hearing on the subject, or whether it would be sufficient for us to send you a statement of the facts and our reasons for asking a reduction.

Yours, very truly,

CHESTER W. LYMAN,
Assistant to President.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 13, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 9th instant, relative to the duty on paper as fixed in the proposed Philippine tariff, and asking whether you could be given a hearing on the subject, or whether a statement of the facts would be sufficient.

In reply I beg to advise you that, as was stated in a letter to your company dated the 11th instant, that any statement you may desire to make will be given careful consideration, but it is not the purpose of the Department to entertain hearings on the subject.

Very respectfully, CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

Mr. CHESTER W. LYMAN,
International Paper Company,
30 Broad Street, New York City.

NEW YORK, *March 16, 1901.*

Mr. HUGH J. CHISHOLM,
President International Paper Company.

DEAR SIR: We have noted that the question of the tariff for the Philippine Islands is being discussed and have seen advance sheets of the proposed schedule for paper and its manufactures. In this connection, and in the hope that the parties interested will have an

opportunity of presenting their side of the question, I beg to submit the following remarks on the subject, which I trust you will properly place before the authorities at Washington in charge of formulating the tariff for our new possessions, as well as those who may take part in the preparation of the Cuban tariff.

First of all I desire to disclaim any wish on our part to be placed on a different basis than the manufacturers of other nations, unless this be done in a general way to all United States products, and I hereby respectfully request and urge, that for the reasons set forth hereafter, printing paper, especially news, be placed on the free list in the new tariff for the Philippines.

So-called manila papers, used for wrapping purposes, which we manufacture in large quantities, and are ready to export, have a commercial side purely, and it is not my purpose to advocate the cause of their free entry. But the printing papers, and especially the paper denominated "news," have to be considered not from their commercial side alone, but from an educational point of view as well.

The percentage of illiteracy in Cuba was shown to be 63 per cent by the last census. A census of the Philippines would probably show a much larger percentage of illiteracy. Our Government's first care, both in Cuba, under the temporary military administration, and in the Philippines, under the able commission presided over by Judge Taft, has been to remedy these conditions and foster the cause of education in every manner possible. For the purpose of establishing schools and of educating the children the Government is spending, and will continue to spend, large amounts of money. It will also be subjected to large expenditures to enlighten the adult population of the islands as to the aims and purposes of our Government, and for the latter end, as well as for the purpose of continuing with the adult Filipino the work begun at school with the child, it will need the aid of private as well as Government publications. In fact, a well-directed press and good, safe publications and books would be the most powerful agency for the Government to reach the masses; and, as the Government can not, under our institutions, subsidize or otherwise aid such a press, it can at least remove some of the causes which might deter its establishment or retard the development of newspaper enterprise by allowing the material used in the making up of a newspaper or periodical to come in free.

The Philippines are not a manufacturing country, nor could they for a number of years to come make up at home the supply of paper they might need for printing purposes. To add in the proposed tariff 1.40 cents per 100 pounds to the price of news paper, already largely enhanced by the very large transportation charges due to the remoteness of the Philippines from manufacturing markets, will make the cost of news there almost prohibitive, and will deprive the Govern-

ment of much valuable aid in its efforts for the enlightenment of the Philippines. I may add in this connection that some of the South American Republics, in recognition of the educational value of the newspaper, allow paper for printing purposes to enter free, while others permit the free transportation through the mails of the country of newspapers and publications of general interest.

I sincerely hope that in view of the reasons given above you will be able to secure, through the authorities at Washington, the free entry of printing papers into the Philippines, and beg to remain,

Respectfully, yours,

INTERNATIONAL PAPER COMPANY.
By FREMONT W. SPICER,
Manager Export News Division.

INTERNATIONAL PAPER COMPANY,
New York, March 19, 1901.

Mr. CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division of Insular Affairs,
War Department, Washington, D. C.

DEAR SIR: I have your favor of the 11th, acknowledging receipt of my letter of the 8th relating to the proposed Philippine tariff and thank you for the assurance that the same will receive careful consideration.

On behalf of this company, I now wish to apply for the removal of the tariff on newspaper, and in this connection hand you herewith a letter from the manager of our export news division, addressed to the president of this company, which sets forth the reasons on which we base our application. You will notice that frequent reference is made to Cuba, and in fact the question of the Cuban tariff and Philippine tariff are both dealt with in this letter, but in general what applies to one applies to the other.

The exportation of paper from this country has been continually increasing for many years, and for the year ending January 31, 1901, amounted to over $6,300,000. Of this, the print paper is the most important item. This country is especially fitted, by reason of the great abundance of water power and woodlands—which are the two most important factors in the manufacture of newspaper—to supply the markets of the world with this commodity, and manufacturers, realizing this, are on the alert to seize every opportunity to extend the trade.

We desire Government cooperation only along lines which are strictly within its province to control, as is the regulation of the tariff into such markets as Cuba and the Philippines, which for all practical

purposes are to be regarded as its own territory, and, therefore, were there not other controlling conditions, should be entirely free from commercial barriers. We do not ask for a discriminating duty in favor of the United States (to which, under ordinary circumstances, we would be entitled—certainly in the case of the Philippines—and which would be consistent with the long-established policy of protection to American industries), since we recognize that the Government is confronted in the Philippines with other questions besides those of commercial development.

We ask for the entire removal of the tariff on print paper, being willing to take our chances in securing the trade and the increase which such a move would be likely to stimulate, and believing that the Government would be benefiting the population of these islands by so doing.

Respectfully submitted.

CHESTER W. LYMAN,
Assistant to President.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 20, 1901.

SIR: I have the honor to acknowledge the receipt of your communication of the 19th instant, with inclosure, in which are set forth arguments for placing print paper on the free list of the Philippine tariff.

In reply I beg to inform you that the same will be carefully considered when the final revision of the Philippine tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry,
U. S. V., Chief of Division.

Mr. CHESTER W. LYMAN,
International Paper Company,
30 Broad Street, New York City.

INTERNATIONAL PAPER COMPANY,
New York, September 26, 1901.

CLARENCE R. EDWARDS, Esq.,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division, Washington, D. C.

DEAR SIR: I am informed that the rate on printing paper in the new Philippine tariff, which had heretofore been unofficially announced as 50 cents per 100 kilograms, is to be raised to $1, and I take the

liberty of writing to ask for confirmation or denial of this report, and, if I may be permitted to do so, to inquire, in case this change is to be made, on what grounds.

You will perhaps recall our previous correspondence on the subject, and our plea for the admission of this grade of paper free of duty or at a nominal rate on the ground of the educational results that might be expected to follow. I understand that several of the South American Republics admit printing paper free on this broad policy, and it does not seem appropriate that this country should be behind them in its liberal treatment of its colonies. I may add that since our previous correspondence we have taken steps which we hope will lead to the complete control of this line of trade by the United States, based somewhat upon the assumption that the 50-cent rate would be promulgated. It was our intention to carry a very large stock of paper in the islands, and, of course, so material an increase in the duty would have a deterrent effect.

It is of course impossible to predict by just what percentage the imports into the islands would be decreased by the higher rate of $1, but I can say that I believe the Government will not be disappointed in the results, even from the purely commercial standpoint of the amount of revenue derived, by the change from the present high duty to the duty of 50 cents, and that any attempt to compromise between a high tariff and a low tariff is liable to defeat its own end.

Hoping that my apprehension is unfounded, and, if not, that this matter will be adjusted so as to meet our views, I beg to remain,

Very truly, yours,

CHESTER W. LYMAN,
Assistant to President.

SAN FRANCISCO, CAL., *March 22, 1901.*

Col. CLARENCE R. EDWARDS, U. S. A.,
Chief Division of Insular Affairs,
War Department, Washington, D. C.

SIR: Under the new customs tariff for the Philippine Islands we note paragraph No. 322 makes the rate on brandies, liqueurs, cordials, and all compound spirits not specifically mentioned, liter:

(*a*) In wood, liter	$0.45
(*b*) In bottles, flasks, demijohns, and other similar receptacles, liter	.50
(*c*) Whisky, rum, and gin in wood, liter	.40
(*d*) Whisky, rum, and gin in bottles, flasks, demijohns, and other receptacles, liter	.45

Under this paragraph brandies, liqueurs, cordials, include blackberry brandy, ginger brandy, and American cocktails.

Whisky, rum, and gin.—The United States is renowned for its

bourbon and rye whiskies. Some of the States have achieved a great reputation for brandies. Our distillates of rum are better than the Jamaica and St. Croix and our distillates of gin are equal to the Holland. Our greatest export of rum is to South Africa.

The spirit trade of the Orient and Far East, which includes the Philippines, receives its British and European spirits and liquers entirely in glass bottles. This necessitated the American producer to do likewise, as the oriental trade seem prejudiced against goods bottled in their market, fearing dilution and adulteration. No bottles are manufactured in Manila. A lower rate on spirits and liquers in wood than in glass might and probably would stimulate the importation in wood, but is not likely to result favorably to the permanency of American brands in the oriental markets.

To meet this demand Congress in 1894 and again in 1897 passed laws favorable to what are known as bonded manufacturing, or export, warehouses used almost entirely for the bottling of American spirits in customs bonded warehouses for export.

Blackberry brandy is almost a specific in the Philippines for the use of the men in the line. American whiskies and brandies are supplanting the sale of foreign spirits, and their introduction into the Philippines is assisting their distribution in China and Japan. We recognize that treaty relations prevent the securing of preferential duty rates for the American over the foreign article, but we feel from our experience that the products above referred to would be advantaged if cocktails, blackberry, and ginger brandies, and therefore all other articles under that heading, would be given the same duty rate in glass as in wood, which more strongly applies to whiskey, rum, gin, etc., and we therefore request that the rates be equalized and, if possible, that all of the above enumerated articles be rated at not over 40 cents gold per liter, making the same rate in glass as in wood.

Very respectfully,

CROWN DISTILLERIES COMPANY.
E. R. LILIENTHAL, *President.*

SAN FRANCISCO, CAL., *March 22, 1901.*

Col. CLARENCE R. EDWARDS, U. S. A.,
Chief Division of Insular Affairs,
War Department, Washington, D. C.

SIR: In accordance with the invitation for suggestions and recommendations on and to proposed customs tariff for operation in the Philippine Archipelago:

Alcohol.—Paragraph 321, per liter, 35 cents gold. Commercial alcohol at 188 per cent, American standard, 94°, at the proposed tariff would cost in duty rate $1.32½ gold per wine gallon. As compared

with whisky under paragraph 322, in wood, per liter, 40 cents, or $1.51½ per wine gallon.

In glass, per liter, 45 cents, or $1.70 per wine gallon.

Attention is invited to this because there have been recent shipments in quantity alcohol to Manila which there is good warrant for believing is not intended for use by chemists or druggists in the manufacture of fluid extracts or other medicinal or pharmaceutical preparations, but is intended to be diluted by the addition of water to about the commercial strength of spirit beverages, such as whisky and brandy.

Taking the tariff rate on alcohol as above and cutting same in two, it would make a rate of about 66 cents gold per gallon, thus giving imitators of honest beverages an opportunity for profit.

The internal-revenue duty on alcohol in this country amounts to about $2.08 gold per wine gallon. The present ad valorem duty in Japan, which is 250 per cent upon a cost, freight, and insurance valuation, or laid down cost at Japanese ports, amounts to about 83 cents per wine gallon. The Japanese Government proposes to increase this to 400 per cent, which would be about $1.33 per wine gallon.

In the protection of honest shipments from this country the undersigned take the liberty of suggesting that duty under paragraph 321 should apply only if methylated, and when not methylated the same should be doubled.

Very respectfully,

CROWN DISTILLERIES COMPANY.
E. R. LILIENTHAL.

[Inclosure.]

GROUP 5.—*Oils and beverages.*

321. Alcohol	liter..	.70
322. Brandies, liqueurs, cordials, and all compound spirits not specially mentioned:		
a. In wood	liter..	.35
b. In bottles, flasks, demijohns, and other similar receptacles	liter..	.40
c. Whisky, rum, and gin in wood	liter..	.35
d. Whisky, rum, and gin in bottles, flasks, demijohns, and other similar receptacles	liter..	.40

Attention is drawn to the discrimination between wood and glass, because it is one that is not practiced by any other civilized country. It invites the importation of low grade spirits to be used in refilling bottles of standard brands, to the detriment of the public and the depreciation of the brands.

This practice has worked great hardship to legitimate houses and known American brands. The authorities in the Philippines have done their utmost to stamp out this practice.

Attention is also drawn to "An act regulating the sale of intoxicating liquors within the city of Manila and its attached barrios," enacted at Manila, December 14, 1900.

"SEC. 11. It shall be unlawful for the holder of licenses to sell or keep any wine, beer, or liquor except such as is of good standard quality and free from adulteration."

The local authorities at Manila checked the refilling of bottles partially by restricting the sale of vino (see sec. 24 of said act), which is a native product made from the residue of sugar. This, however, tempted some illegitimate dealers, exporters from the United States and importers in Manila, to continue the refilling of bottles with inferior grades of American spirits, both brandies and whiskies. The incentive is removed when the rates between glass and wood are equalized.

In the abstract the tariff on these articles may be levied strictly in accord with revenue principles per se, but from a trade standpoint, founded on experience in other foreign countries, this differential between wood and glass will handicap the introduction of standard American brands, and will eventually defeat the effort of our merchants to convert the native population to American products

---

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 30, 1901.

SIR: I have the honor to acknowledge the receipt of your letters of the 22d instant, filed with the Department by Edward M. Cleary, esq., with reference to the rates prescribed in the proposed Philippine tariff on alcohol, whisky, etc.

In reply I beg to advise you that your communications will receive careful consideration in the final revision of the tariff by this Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

E. R. LILIENTHAL,
President Crown Distilleries Company,
100–102 Front Street, San Francisco, Cal.

WASHINGTON, D. C., *June 14, 1901.*

Col. CLARENCE R. EDWARDS, U. S. A.,
War Department, Washington, D. C.

SIR: Referring to article 321, alcohol, in the proposed customs tariff for the Philippines, I have the honor to suggest that the rate, $0.35 per liter, therein proposed, be increased to at least $0.70, or, more properly, $0.882.

Unless this be done there will be large importations of alcohol and the manufacture therefrom in the Philippines of whisky and other spirituous beverages of which spirits or alcohol is the basis.

Alcohol, when pure, is 200° proof and is always manufactured and exported from 188° to 196° proof or from 94 to 98 per cent pure alcohol.

Alcohol 200° proof is only 100 per cent pure.

Note the difference between degrees proof and per cent pure. When alcohol or whisky is 100° proof it is only 50 per cent, the balance being water or other ingredients.

Alcohol is always manufactured and exported or imported from 188° to 196°; whisky at about 100°.

Under the internal revenue and customs laws of the United States the tax on alcohol or whisky is not based upon the liquid or wine gallon unless they be of a less strength than 100° proof, or 50 per cent pure, when they are taxed as being of 100° proof; $1.10 per gallon internal-revenue tax, and $2.25 per gallon customs duty upon importation.

When alcohol is manufactured or imported it does not pay a tax of $1.10 and $2.25 per liquid gallon, but $1.10 and $2.25 per proof gallon, and a proof gallon of alcohol is from one hundred and eighty-eight one-hundredths to one hundred and ninety-six one-hundredths wine or liquid gallons, and pays $1.10, $1.88 to $1.96, which is $2.068 to $2.156 per liquid gallon, as internal-revenue tax when manufactured in this country, and from $4.23 to $4.41 when imported under the Dingley tariff law.

The act of July 24, 1897—the Dingley tariff act—provides, section 289:

Brandy and other spirits manufactured or distilled from grain or other materials, and not specially provided for in this act, two dollars and twenty-five cents per gallon proof.

SEC. 290. Each and every gauge or wine gallon of measurement shall be counted as at least one proof gallon; and the standard for determining the proof of brandy and other spirits or liquors of any kind imported shall be the same as that which is defined in the laws relating to internal revenue. * * *

Internal Revenue Laws, 1900, page 144, section 3248, R. S. U. S., provides that—

Distilled spirits, spirits, alcohol, and alcoholic spirits, within the true intent and meaning of this act, is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, which is commonly produced by the fermentation of grain, starch, molasses, or sugar, including all dilutions and mixtures of this substance. * * *

SEC. 3249. Proof spirit shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths (0.7939) at sixty degrees Fahrenheit.

The act of August 28, 1894 (28 Statutes, 509), provides—

That on and after the passage of this act there shall be levied and collected on all distilled spirits in bond at that time, or that have been or that may be then or thereafter produced in the United States, and on which tax is not paid before that day, a tax of $1.10 on each proof gallon, or wine gallon when below proof, and a proportionate tax at a like rate on all fractional parts of such proof or wine gallon.

Under the proposed rate of $0.35 per liter, 1 liter of alcohol can be imported into the Philippines, and, by the addition of water, burned

sugar, and other adulterants, at a trifling expense be converted into 2 liters of whisky, which upon importation would pay a duty of $0.80 in wood or $0.90 in glass. This assuredly will be done and the Government robbed of the tax on the other liter of whisky, which would otherwise be imported and tax paid; reputable merchants in this country deprived of the sale of the second liter, and probably also the first, which they now furnish, as they do not now purpose engaging in such business, and to the profit of the importer of the alcohol, first, of $0.35 on the second liter of whisky made by the addition of water and other ingredients; second, from $0.10 to $0.20 additional per liter, a difference of between $0.80 and $0.90, the duty on 2 liters of whisky in wood or glass, and $0.70, the duty on 2 liters of alcohol; also a saving in freight rates of 50 per cent, they transporting the alcohol in such condensed form as to be only one-half the bulk or volume of whisky.

Upon the importation of each liter of alcohol they would, therefore, have as an inducement an illicit profit of $0.45 in addition to the legitimate profit they should properly receive upon the sale of a liter of whisky.

To prevent this the rate upon alcohol should be at least $0.70 per liter, and to equalize it with whisky and other spirituous liquors, and with the rates in force in the United States, the rate should be from 40–45 by 196 100, or from $0.784 to $0.882 per liter.

There is little or no importation of alcohol or spirits into the Philippines except for their manufacture into spirituous beverages or the fortification or strengthening of the native drinks.

I have also the honor to call your attention to that part of article 322 fixing the rates on all spirits in glass at 5 cents per liter higher than the same in wood, and to suggest that these rates be equalized, making the rates on brandies, liquors, cordials, etc., $0.45 per liter, and whisky, etc., $0.40 per liter, whether in wood or glass.

This change is not requested in order to secure a reduction in rates, as the proposed tariff permits the importation at the lower rates in wood, and the purchasers in the Philippines will order them packed in that form of packing; first, to secure the lower rate of duty; second, to permit their adulteration and increase in volume without detection, and to their profit.

This equalization will protect the American manufacturer from the adulteration of his goods and their consequent loss of strength and purity, secure to the consumer a better quality of liquor—it being possible to add adulterants to the liquors shipped in wood, but not to those imported in glass—and in the end the Government will receive more and not less revenue from the proposed equalization, for what it loses in the way of 5 cents per liter on the small number of bottles of

liquor that would be imported under the proposed schedule will be overwhelmingly balanced by what it will receive in the way of increased duties from the larger importations in volume and tax paid thereon to the amount of the water added to the liquors after their importation in barrels and which adulteration is not possible in the case of bottled goods.

It is not suggested that the rates on spirits in wood be increased to to those in glass, as they are already sufficiently high as a safe revenue producer.

It may be suggested that our customs laws provide higher rates on goods in glass than in wood, but in the United States we have a large and expensive force of internal-revenue officers whose duty it is to enforce stringent laws against such adulteration and rectification of liquors.

In the Philippines there are neither such laws nor officers to enforce them; nor, at the present time, would it be to the advantage of the Government to make such laws and appoint the large number of officers necessary to sufficiently enforce them when the situation can be met for the present by the equalization suggested.

I wish you would note that the suggested changes in the proposed schedule are not purely patriotic on the part of the exporting manufacturers of spirits, whom I represent, in their desire to secure greater revenue for the Government; but every liter of liquor on which the Government will lose the tax under the propesed schedule, unless amended, the exporting manufacturer will lose the sale, and the consumer purchase a like amount of water or other adulterated matter and pay therefor the price of pure liquor, to the benefit of the importer of the alcohol.

Respectfully submitted.

EDW. M. CLEARY.

CROWN DISTILLERIES COMPANY,
San Francisco, Cal., September 30, 1901.

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division Insular Affairs, Washington, D. C.

DEAR SIR: I permit myself the pleasure of expressing not only my personal thanks, but those of the trade in which I am concerned and interested, for the patriotic impulse which prompted the consideration manifestly given American export interests in the framing of the Philippine tariff.

It is a matter of general recognition that our officials in their desire to prefer American interests have been hampered by the treaty of

Spain, but all admit that as the tariff is now framed a decided advantage has been gained and will be realized.

I have the honor to remain, yours, very truly,

E. R. LILIENTHAL.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., October 14, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of September 30 expressing your satisfaction with the consideration given American export interests in the new Philippine tariff.

To receive such recognition of effort made from those most interested can not be otherwise than gratifying to those who have participated in the framing of the tariff.

Very respectfully, CLARENCE R. EDWARDS,
Chief of Division.

Mr. E. K. LILIENTHAL,
100–102 Front Street, San Francisco, Cal.

BERNHEIM BROTHERS,
Louisville, Ky., July 2, 1901.

Hon. LYMAN J. GAGE,
Secretary of Treasury, Washington, D. C.

DEAR SIR: We would be under great obligations to you if you would kindly inform us whether we will continue to do business with the Philippine Islands under the tariff regulations that have been in force there right along, or have new tariff regulations been made; and if so, what are they and when will they go into effect?

Assuring you in advance of our appreciation of the favor of an early reply, we have the honor to remain,

Very respectfully, yours, Illegible.]

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 15, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt, from the honorable the Secretary of the Treasury, of your letter of the 2d instant, asking whether you will be able to do business with the Philippines under present new tariff regulations, or whether new tariff regulations have been made, what they are, and when they will go into effect.

In reply I beg to advise you that the customs tariff for the Philippines is now being revised and will possibly go into effect within the next ninety days, the exact date having not yet been determined. Goods, however, in transit at the time the new tariff goes into effect will be permitted entry under the old tariff, provided they reach the Philippines within sixty days after the new tariff becomes operative. Upon the publication of the new tariff a copy thereof will be mailed you.

Very respectfully,

C. R. EDWARDS,
Chief of Division.

BERNHEIM BROTHERS,
131 and 133 West Main Street, Louisville, Ky.

MALVERN, PA., *July 25, 1901.*

The SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: We desire to call your attention to the present high duties on our root beer at Manila, P. I. With a view of introducing this product there we shipped a quantity to our agents, Messrs. Cameron & McLaughlin, Manila, P. I., and beg to quote you as follows from their letter of June 10, 1901:

Referring to the extortionate customs duties upon root beer, you will recall that a high duty was charged on root beer when we went to Cuba, and that you prevailed upon the Secretary of the Treasury to remit the duty. There is no duty upon carbonated waters that are brought into these islands. There is, therefore, no reason why duty should be charged upon root beer, which is practically a carbonated water, with additional healthful properties added. In the interest of the health of the people of these islands no embargo should be placed upon a beverage that is nonalcoholic and in every way as beneficial as root beer. As the Secretary of War is now revising the customs duties of the Philippines, we suggest this as a most appropriate time for you to have root beer put upon the free list.

In view of the fact that you are now revising customs duties in the Philippines, we respectfully request that you consider placing our root beer upon the free list for the following reasons:

Hires's root beer is a carbonated beverage put up in bottles, packed in cases, convenient to handle, and sells at a lower price than the carbonated waters which are admitted to the Philippine Islands free. It contains many healthful properties aside from being refreshing, containing absolutely no alcohol whatsoever. Thousands of cases of our root beer were used by the soldiers in Cuba during and immediately after the war, and the fact that the fewer stricken soldiers when placed in the hospitals in and about Philadelphia were given this root beer as a drink during their sickness, is an evidence of its healthful qualities and the opinion in which it is held by physicians.

Unless the duties are removed we can not sell this beverage at a popular price, and with the existing duties would be entirely debarred from the sale of these goods in the Philippine Islands. We are expressing you prepaid a case of our root beer, which we ask you to accept with our compliments. We hope you will see your way to taking immediate action upon this, as we are making another experimental shipment about the 15th of August, and would like to give this shipment the benefit of every economy possible, so that our agents can decide at once as to whether these goods will be profitable to handle.

Thanking you in advance for your attention to the matter, we are,

Yours, very truly,

THE CHARLES E. HIRES COMPANY.

P. S.—In a former letter Messrs. Cameron & McLaughlin advised that the duties collected on our previous shipment amounted to about $1 per case. As we sell these goods at $1.65 per case in this country, and they usually retail to the consumer at 10 cents per bottle, you can readily see how impossible it would be to do business there at such a high rate of duty. After transportation charges are paid there would not be a very great profit duty free.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 27, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 25th instant, relative to the duty on root beer on being imported into the Philippine Islands.

In reply, I beg to inform you that the tariff has been revised and forwarded to the Philippines, subject only to such changes as the Philippine Commission may make by cable. The rate on root beer as fixed by the Commission was not changed by the Department, and is $1.50 per hectoliter when imported in wood and $3 when imported in glass. As the revenues of the islands must be constantly kept in view in preparing a tariff, it was thought that this rate was a reasonable one, which would not militate against the importation of said merchandise.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

THE CHARLES E. HIRES COMPANY,
Malvern, Pa.

MALVERN, PA., *August 1, 1901.*

The SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: We beg to acknowledge receipt of your favor of July 27, stating that the tariff on root beer in the Philippine Islands had been allowed to remain unchanged.

We hardly see wherein the Government will profit by placing a tariff on one of its own products so high as to prohibit the sale of the goods in those islands. Our carbonated root beer is very expensive to manufacture, and when we have added the freight and other high charges connected with the transportation of the goods, they will not bear the additional cost of customs duties.

In view of this we hope you will see your way to removing the tariff entirely, or at least lowering it to a nominal sum.

Submitting this to your careful consideration, we are,

Yours, very truly,

THE CHARLES E. HIRES COMPANY.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., August 6, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 1st instant, urging that root beer be placed on the free list or at least be made subject only to a nominal rate of duty in the new Philippine tariff.

In reply I beg to advise you that the proposed tariff was published and given to the press March 7, 1901, and suggestions and recommendations were invited by the Department to be considered with a view to amendments before promulgation. The fullest possible circulation was given to the proposed tariff, it having been distributed to newspapers, boards of trade, chambers of commerce, and commercial bodies in all parts of the country. Attention was repeatedly called to it through articles prepared for the press and given general circulation. There was a general and generous response to the above invitation and all suggestions, criticisms, and recommendations were carefully considered by the Department in making its revision, it being the desire to give all industries a full and fair consideration. After all suggestions had been received and the revision made in view thereof, the final draft of the tariff was sent to the Philippine Commission for their approval, subject only to cable changes from them.

The Secretary of War is at present away for a couple of weeks. However, I will say personally that upon his return I will, if you wish, take up your contention with him with a remote chance of having the tariff modified in respect to your product before final printing. In

the meantime it is suggested that you submit a statement as to what you consider a proper rate of duty on root beer upon its importation into the Philippines.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

The CHARLES E. HIRES COMPANY,
Malvern, Pa.

MALVERN, PA., *August 13, 1901.*

SECRETARY OF WAR,
Washington, D. C.

DEAR SIR: We beg to acknowledge, with appreciation, your favor of August 6. It would appear that the proposed tariff for the Philippine Islands, given to the press March 7, 1901, escaped our attention, else we certainly would have written you requesting the removal of tariff on our root beer to those islands.

We wish you would do us the honor to reconsider the tariff clause on root beer, for the reason that if there is any tariff on this product we shall not be able to ship to the Philippine Islands.

The cost of manufacturing our carbonated root beer is $1.15 per case, the freight charges are 55 cents per case, not including lighterage at Manila. Our agents there are obliged to sell the goods so that they can be retailed to the consumer at 10 cents per bottle; hence the margin of profit will not admit of other than the usual expenses, such as transportation, etc. Furthermore, you admit mineral water free of duty, which sells to the same people as our product, and at an even higher price at less productive expense. Our root beer properly comes under the head of mineral water, soda water, ginger ale, sarsaparilla, etc.

You did us the honor to remove the duties from root beer at Habana during the time of occupation of that island by our troops, and for the same reasons we will ask that you give us even consideration at Manila.

We are, with respect, yours, very truly,

THE CHARLES E. HIRES COMPANY.

MALVERN, PA., *August 8, 1901.*

Mr. CLARENCE R. EDWARDS,
Chief of Division, War Department, Washington, D. C.

DEAR SIR: Referring to your letter of July 27, you state that the import duty on root beer at Manila, P. I., is $1.60 per hectoliter when in wood, and $3 when imported in glass.

We are on the point of making a shipment to the islands, and we find that we are required to specify the group and paragraph under

which this product is assessed for duties, but on going through the "United States Provisional Customs Tariff and Regulations in the Philippine Islands," containing the amended tariff provisions to September 1, 1899, which was sent to us as a guide, we are unable to find either the group or paragraph. As you must have had this book before you when quoting us the rate, will you kindly tell us where we may find the information so that we may specify the same therein upon the statement we are obliged to make for custom-house purposes.

As this shipment will be made in the early part of next week, we will ask you to have the kindness to reply on not later than Saturday, so that we may have the answer here by Monday morning. This will give us only sufficient time to make out the proper papers and have them on board vessel in time to sail. As there is a heavy penalty attached to improper entries, we are anxious to have this done right, and will appreciate your reply in accordance with the above request.

Thanking you in advance for the courtesy, we are,

Yours, very truly,

THE CHARLES E. HIRES COMPANY.
WILLIAMSON.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., August, 9, 1901

GENTLEMEN: I have the honor to acknowledge the receipt of your letter of the 8th instant, asking under what paragraph of the Philippine tariff root beer would be classified, and quoting the Department's letter of July 27, which gave the proposed rates on merchandise.

I beg to call your attention to the fact that the rates quoted were from the proposed and not from the tariff now in force, and goods shipped at the present time would reach Manila before the revised tariff becomes operative. The tariff now in force makes no specific mention of root beer, and it would be assessed by the collector by assimilation—i. e., he would collect the duty expressed for articles which root beer most nearly resembles. It appears from an examination of the customs regulations that the consignee at Manila, and not the exporter, is to make declaration of importation.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

The CHARLES E. HIRES COMPANY,
Malvern, Pa.

CINCINNATI, *March 19, 1901.*

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: During the past year we have been endeavoring to establish a trade with the Philippine Islands on American harness and saddlery, and have from time to time shipped some of our goods into that market. One of our largest customers writes us that his chief difficulty is owing to the excessive or high tariff duties on this class of goods. Up to this time he has been forced to pay duties under the old Spanish tariff. This has made it impossible for him to furnish the class of goods most in demand—that is, such as are used by the masses. He wrote us under date of February 17 that he had an interview with Hon. William H. Taft, present president of the Philippine Commission, and that Mr. Taft has interested himself enough in the matter to suggest that we take this up with your honor, and we now beg that in considering a revision of the tariff laws that govern American goods shipped into the Philippine Islands that you take into consideration harness and saddlery shipped into that country. We beg to suggest that the leather interests of the United States are probably second to none other, and any encouragement that we can receive enables us to further push our business into the foreign fields.

We are now undertaking to manufacture a line of harness especially suited for the Philippine trade, our desire being to work a large force of men on this class of goods, and if we can be encouraged along this line by a reduction in the tariff to a point where we can compete, we shall push this business to its fullest extent.

We inclose herewith a letter kindly given us by United States Senator J. B. Foraker and one from the Hon. J. H. Bromwell, member of Congress from this district.

Hoping that this matter will receive favorable consideration at your hands, we are,

Very respectfully,

THE PERKINS-CAMPBELL CO.

THE PERKINS-CAMPBELL CO.,
Cincinnati, March 21, 1901.

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: Further referring to the proposed tariff duties on harness and saddlery into the Philippine Islands, upon investigating this matter we find that the recommendations from the Philippine Commissioners are as follows: Light harness, 60 cents per kilo; heavy harness, 30 cents per kilo, and all other goods in the saddlery line, including riding saddles, 75 cents per kilo. Carefully estimating, this would

make the tariff equal to about 40 per cent on the value of these goods, and would be practically prohibitory. No doubt the Hon. Judge Taft after some further investigation has come to the same conclusion, as you will see by a letter, which we herewith inclose, received by us from an American export agent now located at Manila, and it would seem fair to judge that Judge Taft himself was ready to agree that a lower schedule would be beneficial to all parties concerned. We believe that the following rate would place the American manufacturers in position to take care of the trade in these islands on such goods as are not made there in this line: Light harness, 30 cents per kilo; heavy harness, 15 cents per kilo, and all other saddlery goods, such as riding saddles, etc., 30 cents per kilo. This would be equivalent to a tariff of about 20 per cent on the articles sent from this country in this line. You will understand that the goods manufactured on the island are of a very inferior quality, and with the American occupation the demand is for better goods, such as are made in the United States, and with encouragement, such as the above tariff would give, manufacturers here will be able to control the market on such class of goods as against Spain, England, Germany, etc.

Sincerely hoping the above suggestions will meet with your favorable consideration, we are,

Very respectfully, yours,

THE PERKINS-CAMPBELL CO.

The Perkins-Campbell Co. is one of the best companies in our State. I earnestly indorse and recommend their letter to your favorable consideration.

J. B. FORAKER.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 4, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letters of the 19th and 21st ultimo, with inclosure, and that of the 2d instant, relative to the duty on harness and saddlery in the proposed Philippine tariff.

In reply, I beg to inform you that your statements will receive careful consideration when the final revision of said tariff is taken up by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel, Forty-seventh Infantry, U. S. V.,
Chief of Division.

The PERKINS-CAMPBELL CO.,
622-626 Broadway, Cincinnati, Ohio.

THE PERKINS-CAMPBELL COMPANY,
Cincinnati, April 2, 1901.

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: We have delayed sending you the inclosed correspondence hoping to have the pleasure of seeing Senator Foraker. We notice by the papers that he is at home ill, and we will not be able to get the letter from him as suggested by us. We hope, however, that what we have will be sufficient to bring about the desired result in regard to a modification of proposed tariff in our line of goods.

Very respectfully, yours,

THE PERKINS-CAMPBELL CO.

CINCINNATI, OHIO, *March 20, 1901.*

Hon. ELIHU ROOT,
Secretary of War, Washington, D. C.

DEAR SIR: Accompanying this is a communication from the Perkins-Campbell Company, of Cincinnati, the largest of our manufacturers of saddlery in this vicinity. I have had personal talk with Mr. Campbell of that concern, and from the facts presented to me by him and from information gained otherwise, I feel certain that a reduction in the Philippine tariff on leather products would result in establishing a very valuable trade between this country and the island, and that also without interfering with the harness manufacture now carried on in the Philippine Islands, for the reason that it would encourage the shipment of a grade of goods not now manufactured there.

I hope that you will give the Perkins-Campbell communication fair consideration, and if, in your judgment, it will be to the interest of all concerned to cause such changes to be made in the tariff schedule as may seem satisfactory.

Yours, respectfully,

J. H. BROMWELL,
Member of Congress, Ohio.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 4, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 20th ultimo, inclosing a communication from the Perkins-Campbell Company, of Cincinnati, relative to the duty on saddlery in the proposed Philippine tariff.

In reply I beg to advise you that their statements will receive careful consideration when the final revision of said tariff is taken up by the Department.

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

JACOB H. BROMWELL, M. C.,
Cincinnati, Ohio.

MANILA, P. I., *February 17, 1901.*

MESSRS. PERKINS-CAMPBELL COMPANY,
Cincinnati, Ohio.

GENTLEMEN: Yesterday I forgot to mention to you that Judge Taft asked or suggested to me that you take up the matter of duty with the Secretary of War, as they are now considering it. I paid under the old Spanish tariff, so far, very high. The new tariff will be lower, but Judge Taft thinks with the proper effort you can get them to make it still lower. It compels me to ask much more than the cheap harness here, but of course there is no comparison in quality.

Yours, truly,

J. H. ANKROM.

THE CHAMBER OF COMMERCE OF SAN FRANCISCO,
San Francisco, March 30, 1901.

The Honorable SECRETARY OF WAR,
Washington, D. C.

SIR: I have the honor to acknowledge the receipt of a copy of the present Philippine tariff, also twelve copies of the proposed Philippine tariff, for which please accept our thanks.

Some of our merchants contemplate shipping steam or gasoline launches to Manila, but are unable to find in the proposed tariff what the duty would be if the launches (wooden or steel) were sent "knocked down." That is to say, if, after being all built or fitted here, they should be taken to pieces and the material shipped, consisting of so much wood or steel, but cut to size. By kindly advising us as to this you will greatly oblige.

Your obedient servant,

E. SCOTT, *Secretary.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, April 8, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 30th ultimo, asking about the duty on steam or gasoline launches shipped "knocked down" to the Philippines.

In reply I beg to inform you that Class XII, group 4, paragraphs 281 and 282, provide rates for "embarkations, launches and tugs," and although it is not specifically stated in the proposed tariff, the Department assumes that the same may be shipped either entire or "knocked down." The question, however, will be given consideration in the final revision of the tariff.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

E. SCOTT,
Secretary Chamber of Commerce,
No. 58 Merchant's Exchange, San Francisco, Cal.

THE CRESCENT SHIPYARD,
Elizabeth, N. J., May 27, 1901.

Brig.-Gen. MARSHALL I. LUDINGTON, U. S. A.,
Quartermaster-General, War Department,
Washington, D. C.

DEAR SIR: I am in correspondence with a steamship company handling a great deal of freight between New York and the Philippines. They have been intending to put in the harbor of Manila a number of up-to-date steam lighters. I have discussed the matter with naval officers who have been stationed there, and have designed a boat which seems to meet in every respect the interests of the service; and, according to the opinion of everyone who has been in Manila, the installation of such a system of lighterage would be of the greatest possible advantage to all of the various commercial interests of the harbor.

They think, however, that the new tariff, which goes into force in the Philippines in the course of a few weeks, provides for a heavy duty on steel frames, plates, or engines of lighters or vessels. As I assume it would be of the greatest interest to your Department to have these lighters built and sent to Manila, I beg to ask whether this duty on steel plates, frames, or engines for lighters or vessels applies to these frames, plates, etc., when already worked to shape, or otherwise, for incorporation in the finished boat—that is to say, when the labor is done here.

The United States Government has made every effort to encourage shipbuilding by doing away with duty on any material here when it is incorporated into vessels for foreign account, and I hope that this matter may be of sufficient interest to you to have the question referred to such officials of the Treasury Department, or other departments of the Government, as can inform me, through you, whether we can send these lighters to the Philippines without duty.

It would be almost impossible to build them to full size and send them out, as all unite in thinking that a boat less than 100 feet in length and 20 feet in beam would not meet the full requirements of the service.

Our idea is to have boats of this size fitted with twin screws and steam hoisting gear.

Further, I understand that the quartermaster at Manila proposes contracting on the 1st of June, for twelve months, for Government lighterage at Manila. As we have taken up this matter in a most serious manner, I hope that this contracting can be so arranged that it will run but six months on the meager and inefficient methods which are now available, and that at the end of six months contracts could be asked for with the understanding that up-to-date steam lighters should be used.

Yours, truly,

LEWIS NIXON.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., June 1, 1901.

SIR: I have the honor to acknowledge, by reference from the Quartermaster-General, United States Army, of your letter of the 27th ultimo, relative to the duties on steam lighters or vessels imported into the Philippines.

In reply I beg to advise you that the proposed Philippine tariff provides the following:

281. Wooden vessels of registered net tonnage of:	
(a) Not more than 50 tons, per net ton	$1.60
(b) Over 50 and not more than 300, per net ton	2.00
(c) Over 300, per net ton	2.40
282. Vessels with iron or steel hull and of mixed construction:	
(a) Propelled by steam, or steam and sail, per net registered ton	$4.00
(b) Propelled by sail, per net registered ton	3.00

No provision has yet been made for such vessels being shipped "knocked down," but the matter is under consideration by the Department.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

LEWIS NIXON, Esq.,
The Crescent Shipyard, Elizabeth, N. J.

[Personal.]

TREASURY DEPARTMENT,
BUREAU OF NAVIGATION,
Washington, June 5, 1901.

MY DEAR COLONEL: Referring to our conversation this morning in regard to taxing vessels, I inclose extracts from the decision of the Supreme Court in the case of Vanderbilt's yacht *Conqueror*. This covers one phase of the objections to part of the Philippine tariff which you showed me. When the official letter comes over I shall take up the other matters.

My impression is that Secretary Root himself argued this case in behalf of Mr. Vanderbilt, and is therefore perfectly familiar with the matter.

Sincerely, yours,

EUGENE T. CHAMBERLAIN.

COL. CLARENCE R. EDWARDS,
Insular Bureau, War Department.

P. S.—Of course, do not understand me to say that on account of this decision the duty could not be imposed in the Philippines. I have in mind merely one phase of the propriety of doing so.

E. T. C.

SUPREME COURT OF THE UNITED STATES.

No. 98. October term, 1896.

The *Conqueror*. On a writ of certiorari to the circuit court of appeals for the second circuit, March 8, 1897.

This was a libel by Frederick W. Vanderbilt to recover possession of the steam yacht *Conqueror*, of which he was the owner, and which was alleged to be illegally detained by J. Sloat Fassett, then collector of customs for the district of New York.

* * * * * * *

Vessels certainly have not been treated as dutiable articles, but rather as the vehicles of such articles, and though foreign built and foreign owned are never charged with duties when entering our ports, though every article upon them that is not a part of the vessel or of its equipment or provisions is subject to duty, unless expressly exempted by law. If this yacht had been brought here by a foreigner, it is not insisted that she would have been subject to duty. Indeed, she might be navigated between our ports for an unlimited time, provided only that she did not carry passengers or goods for hire. If she be dutiable at all it must then be because she was bought by an American citizen But why should this make her dutiable? She is not imported or taken

into the country in the ordinary sense in which that term is used with reference to other articles, does not become commingled with the general mass of property, and is employed precisely as she might be legally employed by her foreign owners or by an American citizen leasing her from such owner. Other articles are dutiable, not because they have been purchased, but because they are actually imported and become the subject of sale and commerce within the country. But if a yacht be dutiable when purchased, and only when purchased by an American citizen, we apply a test of dutiability that we apply to no other article, namely, the test of ownership.

Not only is there no mention of vessels, eo nomine, in the tariff acts, but there is no general description under which they could be included except as manufactures of iron or wood. But it is only by straining the word far beyond its ordinary import that we are able to apply the word manufacture to a sea-going, schooner-rigged, screw steamship, 182½ feet long, nearly 25 feet wide, and of 372 tons burden. The term "manufacture" is as inapplicable to such a vessel as it would be to a block of brick or stone erected in the heart of a great city. A ship is doubtless constructed of manufactured articles which, if imported separately, would be the subject of duty, but which put together in the form of a ship are taken out of the class of "manufacture," and become a vehicle for the importation of other articles. Considering the hundreds of foreign vessels which enter the ports of the United States every day, it is incredible that, if Congress had intended to include them in the tariff acts, it would not have made mention of them in terms more definite than that of "manufacture."

* * * * * * *

We do not undertake to say that the same rule applies to canoes, small boats, launches, and other undocumented vessels, which are not used or are not capable of being used as a means of transportation on water, as the word "vessel" is defined in Revised Statutes, paragraph 3. While these vessels have a limited capacity for transportation, they are ordinarily used for purposes of pleasure, and are not considered of sufficient importance to require them to be entered at the custom-house, or to be entitled to the special protection of the flag. They are treated like other similar vehicles used upon land, and there are reasons for saying that these boats, which do not ordinarily come of themselves into the country, but are imported or brought upon the decks of other vessels, are mere manufactures or other "articles" and are within the description of the tariff acts.

But the decisive objection to the taxability of vessels as imports is found in the fact that from the foundation of the Government vessels have been treated as sui generis, and subject to an entirely different set of laws and regulations from those applied to imported articles.

* * * * * * *

In this, the latest expression of the legislative will (act of January 25, 1897), Congress seems to have recognized the theory, which we have already gathered from the prior course of legislation, that vessels should be treated as a class by themselves, and not with the general scope of the tariff acts.

In view of the elaborate opinion of the district judge upon this branch of the case it is unnecessary to extend this discussion further. We think that the liability of ships and vessels to tonnage dues and to light money, except where a certain class of vessels is specially exempted, shows that it was not the intention of Congress to treat them as dutiable articles. So far as the court below awarded restitution of the vessel to the libellant, its decree was right and will be affirmed.

* * * * * * *

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, June 5, 1901

SIR: I have the honor to inclose herewith a copy of the proposed revision of the Philippine tariff, and to call your attention to page 43, group 4, Embarkations, launches and tugs.

The Department will appreciate an expression of your views upon the wisdom of this schedule, referring especially to the navigation laws of the United States.

Very respectfully,

ELIHU ROOT,
Secretary of War.

The SECRETARY OF THE TREASURY.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, June 11, 1901.

MY DEAR MR. CHAMBERLAIN: I have the honor to acknowledge the receipt of your letter of the 5th instant, relative to the duties on embarkations in the proposed Philippine tariff.

Permit me to thank you for the same, and to add that both your personal letter and that transmitted through the Secretary of the Treasury reached me in time to be used in the consideration of that subject.

Very respectfully,

CLARENCE R. EDWARDS.

Hon. EUGENE T. CHAMBERLAIN,
Treasury Department.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
BUREAU OF NAVIGATION,
Washington, June 7, 1901.

The SECRETARY OF WAR.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th instant, inclosing copy of the proposed revision of the Philippine tariff and requesting an expression of my views, referring especially to the navigation laws of the United States, upon group 4, as follows:

Group 4. Embarkations, launches and tugs:

281. Wooden vessels of net registered tonnage of—		
(a) Not more than 50 tons	per ton..	$1.50
(b) Over 50 tons and not more than 300	do....	2.00
(c) Over 300	do....	2.00
282. Vessels with iron or steel hull and of mixed construction—		
(a) Propelled by steam or steam and sail	per net registered ton..	4.00
(b) Propelled by sail	do....	3.00

In reply I transmit copy of a letter from the Commissioner of Navigation, which is commended to your attention.

Respectfully,

L. J. GAGE, *Secretary.*

TREASURY DEPARTMENT,
BUREAU OF NAVIGATION,
Washington, D. C., June 7, 1901.

The SECRETARY OF THE TREASURY.

SIR: I have the honor to acknowledge the receipt, by reference, of the letter of the Secretary of War dated the 5th instant, inclosing copy of the proposed revision of the Philippine tariff and requesting an expression of your views, referring especially to the navigation laws of the United States, upon group 4, page 42.

The proposed tax on vessels as imports into the Philippines seems open to the following objections:

First. It is a departure, without apparent reason or benefit, from the practice of the United States. "Vessels certainly have not been treated as dutiable articles * * * But the decisive objection to the taxability of vessels as imports is found in the fact that from the foundation of the Government vessels have been treated as sui generis and subject to an entirely different set of laws and regulations from those applied to imported articles." (The *Conqueror*, 166 U. S., 115, 118.)

Second. The proposed tax appears to have been carried over, with a change in the language of the subhead and a moderate reduction of duties, from the old Spanish tariff in the Philippines. The Spanish law secured to vessels built in the islands and to foreign-built vessels which had paid the tax and become Spanish, the virtual monopoly of

the coasting trade of the archipelago. The United States can give no such privilege to vessels in return for the proposed tax. Article IV of the treaty binds us to admit Spanish vessels on equal terms with American to the Philippine coasting trade. In the opinion of Judge Day "The declaration that the policy of the United States in the Philippines will be that of an open door to the world's commerce necessarily implies that the offer to place Spanish vessels and merchandise on the same footing as American is not intended to be exclusive." (Senate Doc. No. 62, part 1, p. 218.) If his view has been accepted by the War Department, British, German, French, Japanese vessels and those of other nations now have the same privilege, without paying this tax, as certain vessels which must pay the tax, if they take out marine documents issued by our military authorities. The proposed tax would thus be in effect (except where a vessel was built in the islands) a penalty upon American commercial enterprise of about 5 per cent on the value of the vessel (judging from eight months' figures of the insular division), a good part of one year's probable profit.

Third. The similar tax imposed by Spain in Cuba was abrogated in the Cuban war tariff levied by the United States. (See letter of the Secretary of the Treasury to the Secretary of War, February 25, 1899, appended.)

Fourth. The Compania Maritima and other Philippine coasting lines, which paid the old Spanish tax on their vessels, may object to the more favorable terms to newcomers involved in the abolition of the tax; but (*a*) their exclusive privileges have apparently been lost in any event; and (*b*) coasting vessels under the American flag in the Philippines will presumably help to carry out our purposes in the islands. Germany's policy in the Carolines was at once to establish German communications.

Fifth. The proposed tax seems to cover vessels of all descriptions, as did the old Spanish tax. The basis of the tax "net registered tonnage" refers particularly to vessels large enough to be registered. (Vessels below 5 tons are not registered in the United States.) In the *Conqueror* case referred to the court held (166 U. S., 117) "We do not undertake to say that the same rule applies to canoes, small boats, launches, and other undocumented vessels which are not used or are not capable of being used as a means of transportation on water, as the word 'vessel' is defined in Revised Statutes, paragraph 3. While these vessels have a limited capacity for transportation they are ordinarily used for purposes of pleasure, and are not considered as of sufficient importance to require them to be entered at the custom-house or to be entitled to the special protection of the flag."

If the War Department wishes to include small boats, launches, etc., in the Philippine tariff, the value of the craft rather than the net reg-

istered tonnage would be a more appropriate basis of taxation. The following is suggested:

Paragraph —. Small boats, launches, and other water craft, complete or knocked down, measuring less than 500 cubic feet, — per cent ad valorem.

Sixth. The proposed tax on registered vessels can not encourage Filipino shipbuilding, for, as indicated, vessels built in the islands have lost by the treaty the monopoly of the coasting trade. The admission free of duty of material for shipbuilding seems the only way at present to aid shipbuilding in the islands, if that is deemed of consequence.

Seventh. Will Americans secure for foreign-built ships marine documents from the military authorities with the expectation that legislation hereafter will nationalize such ships and bring them into the United States coasting trade? The tax is too low to check such purpose. Congress can, if it chooses, readily prevent its accomplishment. Tariff Circular No. 81 of the War Department (July 10, 1899) covers that phase.

Respectfully,

E. T. CHAMBERLAIN,
Commissioner.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 25, 1899.

The SECRETARY OF WAR.

SIR: I have the honor to acknowledge the receipt by reference dated February 21 of a letter from the special deputy collector for Habana, dated February 14, concerning the question of charges to be imposed for the documenting of vessels with coasting permits in the island of Cuba.

In reply to your request for an expression of my views, I have the honor to invite your attention to the following letter addressed to you on January 27:

The SECRETARY OF WAR.

SIR: I have the honor to acknowledge the receipt by reference dated the 26th instant from your Department of a cable dispatch dated Habana, January 24, 1899, from Bliss, collector, as follows:

"ASSISTANT SECRETARY OF WAR,
"*Washington, D. C.:*

"Spanish tariff required payment $5 per ton for registering foreign-built vessel in Cuban coasting trade. New regulations silent. Shall I exact it?"

The question raised by the collector relates to the general navigation policy to be adopted for Cuba. Cuba is not a shipbuilding island and is not likely to become such for manifest reasons. The charges imposed by the Spanish law on the registry of foreign-built vessels in Cuba were 3 pesos per ton on sailing vessels, 4 pesos on

wooden vessels, and 5 pesos on iron, steel, or composite steam vessels. While these charges were less than 10 per cent ad valorem as a rule, this Department does not favor their imposition. The revenue resulting from the charges would not be great. By repealing these taxes enlarged opportunity is afforded to the Cubans to become shipowners, and to a people placed as the Cubans shipowning will be an essential element of future national independence.

If you concur in this view, the collector at Habana may be advised that the imposition of the tax on the documenting of foreign-built vessels in Cuba has been abolished. If, however, you deem it necessary to raise revenue from this source, this Department will be pleased to submit the draft of a regulation for your consideration.

Respectfully, yours,

L. J. GAGE, *Secretary.*

Respectfully, yours,

L. J. GAGE, *Secretary.*

WASHINGTON, WESTMINSTER AND
GETTYSBURG RAILROAD COMPANY,
New York, June 6, 1901.

The Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

SIR: Will you please furnish me with the latest report on the number of tons of freight entering and leaving the port of Manila per annum by sea?

Also, will you please inform me what, if any, duty will be imposed by the customs authorities in Manila on steam lighters built in the United States and shipped to the Philippines for the purpose of carrying freight in and about those islands?

Respectfully,

JAMES B. COLEGROVE, *President.*

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, June 18, 1901.

SIR: By direction of the Secretary of War, I have the honor to acknowledge, by reference from the honorable the Secretary of the Treasury, the receipt of your letter of the 6th instant, asking for the latest report on the number of tons of freight entering and leaving the port of Manila per annum by sea, and also the duty imposed on steam lighters built in the United States and shipped to the Philippines.

In reply I beg to call your attention to the inclosed Monthly Summary of Commerce of the Philippine Islands, which will give the latest available freight statistics. The present duty on embarkation launches and tugs is as follows:

Wooden vessels of registered net tonnage of:
(a) Not more than 50 tons, per ton $1.60
(b) Over 50 tons and not more than 300 ..... 2.00
(c) Over 300 ..... 2.40
Vessels with iron or steel hull and of mixed construction:
(a) Propelled by steam, or steam and sail, per net registered ton 4.00
(b) Propelled by sail 3.00

This tariff, however, is at present being revised, and could only be depended upon for immediate shipments, and notice of the promulgation of the modified tariff will be given in due time.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

JAMES V. COLEGROVE,
President Washington, Westminster and
Gettysburg Railroad Company,
10 Wall Street New York City.

THE PHILIPPINE TRANSPORTATION AND
CONSTRUCTION COMPANY,
New York, July 26, 1901.

SIR: In a communication from your Department dated June 18, replying to our inquiry as to the duty on vessels built in this country and sent to the Philippines, I am informed that the present tariff was being revised, and therefore I beg to submit the following questions.

This company are the owners of nineteen steel barges, four of which are propelled by steam and fifteen are towed by the steamers.

We propose to send them to Manila for the purpose of lightering cargoes from the steamships anchored in Manila Bay to the warehouses located on the Pasig River. The vessels were built in New York.

First. What would the duty be if they were towed to Manila, say each vessel averaged 250 tons registered?

Second. If these vessels are taken apart and the plates shipped by ocean steamer to Manila, to be rebuilt or put together there, would we be obliged to pay duty on the weight of the iron (the manner in which we pay the steamship company for freight), or would the Manila customs officials wait until we had set the vessels up and then charge duties on the tonnage of the vessels, as in one event we have simply about 70 tons of steel plate, but when put together we would have 250 tons of a vessel to pay duty on.

Third. We contemplate sending one and possibly two ocean-going American-built steamships to the Philippines. If these vessels engage in interisland trade, would we be required to pay duty on them?

Fourth. If our steamers trade between the several ports of the Philippines and Hongkong or Singapore, would we still be compelled to pay duty on them?

Respectfully,

RUSSELL COLEGROVE,
Acting Manager.

The Hon. SECRETARY OF WAR,
Washington, D. C.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, August 8, 1901.

GENTLEMEN: By direction of the Secretary of War I have the honor to acknowledge the receipt of your letter of the 26th ultimo, asking what rate of duty would be charged in the revised tariff for the Philippines upon vessels of about 250 tons register, towed to Manila; also the rate upon said vessels if shipped "knocked down," the rate upon ocean-going vessels to engage in the interisland trade, and those which would engage in trade between Philippine and Asiatic ports.

In reply I beg to advise you that the revised tariff is now on its way to Manila for enactment by the Philippine Commission, subject only to such change as they may recommend by cable, and until promulgated its provisions can not be made public. It may be stated, however, that the question of removing the duty from larger vessels has received the careful consideration of the Department. Other questions raised by your letter can be answered only after rulings of the Supreme Court concerning the same have been handed down, and which can not be anticipated by the Department. As soon as released a copy of the tariff will be mailed to your address.

Very respectfully,

CLARENCE R. EDWARDS,
Chief of Division.

THE PHILIPPINE TRANSPORTATION AND CONSTRUCTION COMPANY,
29 Broad street, Room 1516, New York City.

[Memorandum for Colonel Edwards.]

A letter from the Philippine Transportation and Construction Company of New York states that they are sending 19 barges, 4 steamers, and 15 consorts to Manila for the purpose of lightering freight in the harbor, and to trade between the several islands of the group. The boats, according to the letter above mentioned, were all built in the United States, and will be taken apart and shipped in sections in a large vessel to Hongkong, where they will be put together and pro-

ceed to Manila under their own steam. The question is then asked whether duty will be charged on said barges; and if so, how much.

The Philippine tariff has the following:

267. Small boats, launches, lighters, and other water craft, imported complete, either set up or knocked down, measuring less than 500 cubic feet, 15 per cent ad valorem.

Nothing is said as to any duty on any other craft, although the first draft of the tariff as it was forwarded from the Commission had the following:

281. Wooden vessels or registered net tonnage of:		
(a) Not more than 50 tons	per ton..	$1.60
(b) Over 50 tons and not more than 300	do....	2.00
(c) Over 300 tons	do....	2.40
282. Vessels with iron or steel hull and of mixed construction:		
(a) Propelled by steam, or steam and sail	per net registered ton..	4.00
(b) Propelled by sail	do....	3.00

This provision of the tariff was omitted, after discussion and consultation with the Commissioner of Navigation and the Secretary of War, as being foreign to the spirit of the tariff policies of modern nations, and the Commission adopted it from the old Spanish tariff they found in force in the Philippines.

At present it would appear that when the vessels mentioned in the letter arrive at Manila the collector will have to decide either to admit them free of duty or assess them according to paragraph 366, which prescribes a duty of 25 per cent ad valorem on all goods, wares, or merchandise not otherwise enumerated.

Should the collector assess a duty, and the same be paid under protest, the case could be taken to the Philippine courts. In the event of an appeal, the question arises, Could the appeal be carried to the Supreme Court of the United States?

The vessels under consideration were built in the United States, owned by citizens of the United States, and it is assumed will be commanded by either United States or Filipino officers, and the question arises, How will they secure American registry and the right to fly the American flag?

To what extent do the laws governing the coastwise navigation of the United States apply to the Philippines?

Is there any way, aside from an act of Congress or a decision of the Supreme Court, that can decide the questions raised by the letter above quoted?

ST. CHARLES CONDENSING COMPANY.

St. Charles, Ill., February 20, 1901.

WAR DEPARTMENT, *Washington, D. C.*

DEAR SIRS: We were advised by your Department on July 20 that a board of officers was at that time considering a revision of the Philip-

pine tariff, and would thank you very kindly to inform us, in the event of any revision having taken effect, what the duty at present applying on condensed milk to the Philippine Islands is.

Thanking you in advance for information asked, we remain,

Very respectfully, yours,

ST. CHARLES CONDENSING COMPANY.
D. L. STERLING. *Superintendent Sales.*

WAR DEPARTMENT. OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., February 27, 1901.

GENTLEMEN: By direction of the Secretary of War, I have the honor to acknowledge the receipt of your letter of the 20th instant, asking the Department to advise you, in the event of any revision of the Philippine tariff having taken effect, as to the duty on condensed milk upon importation into those islands.

In reply I beg to advise you that a draft of the revision of that tariff, prepared by the Philippine Commission, has been received at the War Department, and that suggestions or recommendations relative to the duties are invited until April 15 next. After the promulgation of the new tariff sixty days will probably be allowed to intervene before it becomes effective.

In the meantime the duty on condensed milk remains 30 cents (Mexican) per kilo, as explained in this Department's letter to you dated July 20 last.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

ST. CHARLES CONDENSING COMPANY,
St. Charles, Ill.

DOVER PLAINS, N. Y.,
February 20, 1901.

Lieutenant-Colonel EDWARDS.

MY DEAR SIR: Referring to our interviews and the inclosed notice, will you please advise me as to the duty on condensed milk, etc., in the Philippine Islands, and oblige,

Very respectfully, J. H. KETCHAM.

[Inclosure.]

PHILIPPINE TARIFF SETTLED.

Washington. Work at the War Department on the Philippine tariff is concluded. It will now be sent to Governor Taft, and possibly

amended by him and the Commission. Such changes will then have to be returned to Washington for approval by Secretary Root. The income to be derived from the island by the new revenue is expected to amount to $12,000,000 annually, against $900,000 at present. The duties are nearly all specific, those on jewelry and precious stones, 20 and 15 per cent ad valorem, respectively, being the exceptions.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., July 24, 1901.

SIR: I have the honor to acknowledge the receipt of your letter of the 20th instant, relative to the duty on condensed milk in the new Philippine tariff.

In reply, I beg to advise you that the same has not been changed from the rate proposed in the original draft of the tariff as sent to the Department by the Philippine Commission, and which we have several times discussed.

Very respectfully,

C. R. EDWARDS, *Chief of Division.*

Hon. J. H. KETCHAM, M. C.,
Dover Plains, N. Y.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., March 21, 1901.

SIR: By direction of the Secretary of War, I have the honor to advise you that on the receipt of the proposed Philippine tariff by this Department, 500 copies were printed and distributed to newspapers, trade papers, commercial bodies, manufacturers, and others, and recommendations were invited from those interested until April 15, 1901. The proposed tariff was released for publication March 7, and up to date but few suggestions or criticisms have been received, among which, however, the following are the most important:

The Hercules Gas Engine Works, of San Francisco, object to the rate of $2 per 100 kilos on gasoline, or, as they say, a rate of about 6 cents per United States gallon. They represent that there is a large demand for gasoline launches, stationary engines, and stoves in the Philippines, and the rate proposed will make the cost of fuel so high as to exclude their engines. They request that the duty on gasoline be entirely removed or very materially reduced.

The International Paper Company has had considerable correspondence with the Department, urging that the duty on paper intended for newspapers be removed, as the duty increases the cost seven-tenths of

a cent per pound, and in view of the high transportation charges (Manila being so far from the source of supply) the cost would be almost prohibitive. They argue that cheap newspapers will add very materially to the efforts being made to educate the people of the Philippines, and as an educator and a civilizer the newspaper should be granted every possible opportunity to reach the masses of the people at as small an expense as possible.

The National Association of Manufacturers, Philadelphia, have asked for a hearing with reference to the paragraphs relating to watches and watch cases, and they have been advised to forward a written statement of their contention for consideration, but the same has not yet been received.

Albert Lorsch & Co., of New York, complain that group 7, Class I, of the proposed tariff provides for an excessive duty on agates, amethysts, etc., classified under (*b*) of paragraph 24, and make the following statements: An agate, size 5, weight 49 carats, sells for $1, and the proposed duty is $14.70. Amethysts also would be assessed 30 cents per carat, while the selling price is from 30 cents to $2 per pennyweight, and a pennyweight is equal to about 7 carats, so the duty on the cheapest grade is seven times the value of the goods.

The chief complaint, however, has been as to the classification in the cotton schedule, and presents a question that has been discussed and carefully considered for a year in connection with the Cuban tariff.

The result of correspondence between the Department, the collector of customs for Cuba, and manufacturers and exporters, as well as the conclusions reached after a number of conferences on the subject, are embodied in an Executive order dated March 1, 1901, to become effective April 1, 1901, amending paragraph 114 (paragraph 117 of the proposed Philippine tariff) of the Cuban tariff to read as follows:

Tissues plain and without figures, napped or not, weighing 10 kilograms or more per 100 square meters, unbleached, bleached or dyed, and tissues, plain and without figures, napped or not, measuring not over 65 centimeters in width, weighing 8 kilograms or more per 100 square meters, unbleached, bleached or dyed, having—

(a) Up to 9 threads, N. W., kilog	$0.13
(b) From 10 to 15 threads, N. W., kilog	.17
(c) From 16 to 19 threads, N. W., kilog	.23
(d) 20 threads or more, N. W., kilog	.35

114 e. The same tissues, printed or manufactured with dyed yarns: Dutiable as the tissues, with a surtax of 30 per cent N. W.

This amendment has the approval of Major Bliss, collector of customs for Cuba, and the Merchants' Association of New York. Everett Heany & Co., of New York, state in their letter of July 26, 1900, that 70 per cent of American prints weigh less than 10 kilos per 100 square meters.

The changes made by the Executive order above quoted, as interpreted by Major Bliss in an indorsement to a letter of the Secretary of the Treasury under date of December 10, 1900, is as follows:

The only change made is as follows: A certain class of tissues which formerly were included under paragraph 115 are now taken to paragraph 114; otherwise, the two paragraphs remain exactly the same.

The class of tissues changed is "tissues, plain, etc., * * * measuring not over 65 centimeters in width, weighing 8 kilograms or more per 100 square meters, unbleached, etc. * * * In other words, the change may be summed up by saying that plain cotton tissues weighing between 8 and 10 kilos per 100 square meters, which formerly paid under paragraph 115, will now pay under paragraph 114, provided they do not measure over 65 centimeters in width. Otherwise the two paragraphs remain exactly the same.

(The paragraph numbers quoted in the above refer of course to the Cuban and not to the proposed Philippine tariff.)

Naturally the cases of Cuba and the Philippines are entirely different. While the new tariff for the former, which is being prepared by a commission now sitting in Habana, will be for the protection and furtherance of Cuban interests, and not for the benefit of the United States as against the interests of that island, the tariff for the Philippines will be based upon what is considered best for those islands as well as for this country.

The Executive order above mentioned, relating to the classification of certain cotton tissues, it is believed, will be the compromise acceptable to all parties to correct what has heretofore appeared to be an unjust discrimination against the American cotton-print industry.

Confidentially, I might add that the Secretary does not desire any promulgation of the finally determined Philippine tariff before the decision of the Supreme Court in the Porto Rican case is handed down. We have been anticipating the same any Monday. The court, however, has taken a recess until April 8, but the decision in which we are so much interested may be rendered before the invited criticisms have been digested.

I inclose for your information an amended copy of the present customs tariff for ports in the island of Cuba, and also a memorandum prepared in the statistical branch of the division of insular affairs, showing that some powerful influence is at work attracting the trade in cotton tissues away from the United States to European markets, and it is alleged that the change embodied in the Executive order above quoted will remedy this condition, and the desire of the Department is to allow American print manufacturers an equal opportunity to compete with those of other countries.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

Hon. WM. H. TAFT,
President of Philippine Commission, Manila, P. I.

(Inclosures: Amended Cuban tariff. Memorandum of Cuban trade relations.)

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., April 6, 1901.

SIR: In order to keep you advised as to the criticisms and recommendations received by the Department with reference to the proposed Philippine tariff, I have the honor to submit a report in brief of the more important suggestions received since March 27, the date of my last communication upon this subject.

The New York Journal of Commerce, in its issue of March 28, criticises the manner in which rails, railway equipment, and machinery are grouped, stating that apparatus and appliances for electric lighting and power pay ten times the rate prescribed for rails, or a rate of $3 per 100 kilos, while rails pay $3 per ton. It objects to the way in which the finest machinery and heavy castings are assessed at relatively the same rate, and holding that this is due in great part "to the dogged adherence to specific rates," suggest as a remedy a moderate ad valorem duty in connection with specific rates.

The American Steel and Wire Company asks that copperas be put on the free list, as they make more than the home market can consume and are seeking a foreign market for their surplus, which is a by-product made from the acids employed in cleaning wire. They also ask that oxide of iron, another by-product of their factories, be also placed on the free list.

The Crown Distilleries Company, of San Francisco, Cal., urge that the duty on alcohol, 35 cents a liter, be doubled, permitting methylated alcohol to enter at the rate prescribed. The reason advanced is that alcohol at 35 cents per liter, and with whisky at but 40 cents, it will be easy to import alcohol and with 1 gallon of the latter make 2 gallons of whisky, to the detriment of the revenue and the injury of the importers of honest goods, and resulting in an inferior article being consumed in the Philippines. The same writer also urges that the rate for importations in glass be made the same as the rate in wood, as otherwise bottles purporting to contain fine goods will be filled with inferior liquor, thereby deceiving the consumer, and requests that in letters (*c*) and (*d*) of paragraph 322, after the word gin, there be inserted the words "cocktails, blackberry and ginger brandies," as the former is strictly an American product, and the latter are valuable medicinal drinks peculiarly suited to the climate of the Philippines.

The Remington people write urging that the duty of $8 on typewriters as prescribed in the proposed tariff be reduced, and state that their machines when imported into Porto Rico is obliged to pay a duty of but $4.84.

The Perkins-Campbell Company, of Cincinnati, request that the duty prescribed for light and heavy harness be reduced one-half. They state that the proposed rate, which is about 40 per cent, is almost prohibitive, while a reduction of one-half, or to about 20 per

cent, would result in increased revenue, and yet not interfere with the native harness-makers of the Philippines.

The Keystone Watch Case Company presents a long argument of 18 pages urging that the duty on watch cases and watch movements be made ad valorem and not specific. It objects to the rate being graded according to the number of jewels in a movement, because it takes an expert to tell how many jewels are contained in a movement, and it is furthermore urged that the number of jewels do not in all cases determine the value of the movements. The company ask that the duty be so arranged that watches may be shipped complete, without having the movement and the case separated, either for shipment or for assessing the duty, as this can not be done without danger of injury to the parts, which would work to the detriment of the good reputation enjoyed by American watches. It also states that it is impossible to tell the difference between a solid and a filled case without melting the case, and under the tariff proposed, solid cases could be imported as filled cases. The company requests that the ad valorem duty be not less than 15 per cent nor more than 20 per cent, as a higher rate would result in irregular methods of introduction, either by smuggling, or by misleading invoices prepared for the purpose of deceiving the customs employees, and cites the example of Cuba, where a rate of 40 per cent is charged and which has resulted in the almost entire suspension of their business with that island, because they would not consent to an invoice for customs purposes only.

The Manufacturers and Producers' Association of California call attention to the fact that in the letter of transmittal (p. 5 of the printed edition of the proposed tariff) the statement is made that the duty on wheat flour "reduced to $\$1.11\frac{4}{1}$ will hasten its already increasing adoption, etc.," while in the schedule paragraph 292 (*b*) the rate is "Wheat in flour, G. W., 100 kilos, $0.75." As 100 kilos is practically one barrel, the Department has not been able to harmonize the two statements, and assume that the rate of 75 cents per 100 kilos is the rate desired by the Commission.

The Chamber of Commerce of San Francisco asks that a rate be made for steam or gasoline launches sent "knocked down" as they could build up a trade in such goods were a reasonable rate made for the same.

On the whole, the criticisms have been neither as numerous nor as serious as was expected, and the work of revising the tariff will be taken up soon after the 15th instant, to which date criticisms have been invited.

Very respectfully,

CLARENCE R. EDWARDS,
Lieutenant-Colonel Forty-seventh Infantry, U. S. V.,
Chief of Division.

Hon. WM. H. TAFT,
President Philippine Commission, Manila, P. I.

[Telegram.]

MAY 23, 1901.

To WILBER F. WAKEMAN,

United States Appraiser, Port of New York, New York, N. Y.

Kindly let me know when to expect expert's suggestions on proposed Philippine tariff. Am taking matter up actively.

EDWARDS.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 27, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter dated May 14, 1901, transmitting an advance copy of the proposed customs tariff for the ports in the Philippine Archipelago, the said tariff being transmitted for suggestions and recommendations as to the rates and language of the tariff therein provided, I would state that I have carefully examined all of the provisions which cover merchandise that is examined and passed in this division, and I find that the same is provided for in the following:

Class I, item No. 6.
Class VIII, item No. 184.
Class IX, item No. 200–203, inclusive.
Class X, item No. 214–221, inclusive, and 223 and 224.
Class XIII, item No. 354, 355, and 361.
Section 11, item No. 384, 385, and 398.

I find that all the said provisions are in general specific, both in language and in rate, and there would therefore be nothing that I could suggest or recommend in the matter.

Respectfully,

G. W. WANNAMAKER,
Assistant Appraiser, First Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 25, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of May 14, 1901, with which you have inclosed a copy of the proposed customs tariffs for ports in the Philippine Archipelago as recommended by the Philippine Commission, and in which letter you ask for suggestions as to such change as I may wish to recommend, I have the honor to submit the following report, which aims to accomplish these results, viz:

I. To correct and adjust inconsistencies.

II. To avoid confusion and disputes in the classification of merchandise.

III. To simplify the work of examination and appraisement of merchandise and generally to facilitate the administration of the customs laws.

Class I, group 5.

I respectfully recommend that such items under sections 12, 13, and 16 as are provided for by net weight be made to cover gross weight. The reason for this change is because of the expense, difficulty, and damage which would result from obtaining net weights of this merchandise even under rule 24. Only a practical experience could illustrate the serious difficulties of securing net weights on this class of merchandise.

An allowance of 15 to 20 per cent in the rates can properly be made for tare on these lines if thought desirable. This would be preferable to making the same allowance upon examination, for the reason that the latter plan would be open to question as to its accuracy, and would undoubtedly result in litigation, whereas a definite provision in the law for gross weights could not be made the basis of controversy or of appeal and protest. This plan would have equal advantages with the plan of net weights under rule 24 as to accuracy and superior advantage as to definiteness.

Class I, group 5. Section 13 (a) and section 16 (a).

These two provisions are confusing. They should either be combined or else given the same rate of duty.

Section 13 (a) and (b).

These should be combined or given the same rate, for the reason that engraving is a species of cutting, and confusion would result if two different rates were provided.

Section 13 (c).

This rate is very high, amounting in some instances to over 100 per cent.

Section (d).

"Other articles." This is a most ambiguous phrase and should be avoided, if possible. Its use would be productive of endless controversies.

Class I, group 6, sections 19 to 23, inclusive.

There are eleven different rates provided for the goods covered by these sections, while our tariff has for the same kinds of merchandise

but three rates. It would be desirable if either the classifications could be lessened or the variation in rates adjusted.

In section 19 the language "hollow glazed or not of clay or stoneware" is used; in section 20 the language "faience in dishes or hollow ware" is used, the rates being different in these two sections. Inasmuch as faience is made of clay, these two sections are liable to conflict, the term faience not being sufficiently explicit to avoid controversy.

The classification of merchandise contained in group 6 would be better defined by following the classification laid down in paragraphs 94 to 96 of the act of July 24, 1897, than in following the classifications proposed in the Philippine tariff. In this connection I respectfully urge that wherever possible the same rates of duty be provided for articles which are liable to be confused in classification.

Under section 21 the following language is to be found: "Saxony, Sevres, and similar fine porcelain shall be dutiable under this number with a surtax of 75 per cent." This provision is excessive, inconsistent with the rates of duty under the remainder of group 6, is too elastic, and is not clearly defined.

The language "similar fine porcelain" is exceedingly loose, for the reason that in Saxony in particular all grades and qualities of pottery and porcelain are produced. The same may also be said of nearly all European countries, in nearly every one of which fine grades of porcelain are produced, and in most countries all grades of porcelain are produced. In view of the excessive rate of duty and the indefiniteness of the phraseology employed, I respectfully recommend that, if not inconsistent with the views of the Philippine Commission, this provision be stricken out.

Class I, group 5, sections 18, 19, 20, 21, and 23.

I would respectfully recommend that gross weights be substituted for net weights for the same reasons as mentioned on page 5 of this letter. In making this change, allowance, if thought desirable, could be made of 10 per cent for tare on the goods covered by sections 18, 19, and 22, and of 12 to 15 per cent for tare on the merchandise covered by sections 20, 21, and 23.

Class 2, group 3, section 50.

Buckles. This merchandise has been decided by the general appraisers to be in fact jewelry, and should be included under Class II, group 1, section 29, and at the same rate of duty.

Class 1, group 5, section 16.

(*b*) The assessment of duty by weight on this line of merchandise is very inequitable. Heavy weight watch glasses under this provision

would take in some instances fifteen times the amount of duty as light watch glasses of the same value. A rate of duty by the gross would be far more equitable than the rate of duty by weight, and would be easier of administration, for the reason that these goods usually packed by count, one-half dozen to the package, these packages being rolled in heavy paper and then tied with a string. Under the proposed schedule the ascertainment of the net weights would be slow and expensive owing to the careful and thorough manner in which these goods are packed.

Group 7, section 24.

(*a*) The application of this schedule would be exceedingly inequitable. Under it a ruby worth $50,000, such as was passed in this division last year, and which paid a duty of $5,000, would take the same amount of duty as 11 carats of inferior sapphires worth but $150. Such great discrepancies of value are always to be met with in the examination of precious stones. This remark also applies to items under (*b*) of the same section, the cheapest of the semiprecious stones paying the same duty as the most valuable. Subdivision (*c*) can be stricken out, as the items referred to there are fully covered under section 26 of the same group. It would require an expert of high attainments and great experience to distinguish in many cases between "doublets" and better grades of imitation stones made of paste, and the difference in price between these articles as made at the present time is inconsiderable.

Section 25 should read simply "pearls," at so much per grain. Pearls are bought and sold in all the markets of the world by the grain and not by the carat. Seed pearls are pearls, and the word "pearls" covers all kinds of pearls, whether in their natural state, drilled, or split. Paragraph 434 of our present tariff, confining pearls to such in their natural state, with no allusion to other pearls anywhere in the tariff, has led to endless litigation before the Board of General Appraisers and circuit and district courts of the United States, with the Supreme Court of the United States still to be heard from. The argument as to value applies to pearls even more strongly than to precious stones. Pearls to-day constitute the rarest and costliest of gems, and as they increase in weight they multiply in value to the bewilderment of those who are not experts. To illustrate, a pearl weighing 5 grains is worth about $95. A pearl of equally good quality of 25 grains would be worth $3,125, and another of the same quality weighing 50 grains would be worth $16,325, whereas fifty pearls weighing 50 grains would be worth only $62.50; and yet, in the tariff under consideration, the pearl weighing 50 grains and worth $16,325 would pay no more duty than the fifty pearls weighing 50 grains and worth

Class II, group 1, sections 27, 28, and 29 distinguish between wares and jewelry made of solid gold and solid silver, and again between those of plain fabrication and those set with real or imitation stones and pearls, and again between all of these and those made of plated gold and plated silver. As in the case of precious stones and pearls, no attention is given to the intrinsic worth or cost of fine and expensive workmanship, and as these elements have been eliminated from the classification nothing else can be said against these paragraphs.

Class XI, group 1, sections 246 to 249, treat of watch cases, and section 250 of common watches and movements not jeweled. With the exception of the additions previously noted as to the intrinsic worth and cost of workmanship, which applies equally to these goods, the paragraphs are both comprehensive and comprehensible, and can be readily worked to advantage.

Sections 251 and 252 relating to gentlemen's and ladies' watch movements present no less than twenty-two separate and distinct classifications based upon the size and the number of jewels in the movements. This calls for much useless labor and expert knowledge.

The difference in the provision for ladies' watch movements and the largest size designed for gentlemen is inconsistent and will lead to complications. I would respectfully suggest that in place of twenty-two classifications on these lines only five should be used to conform to the five classifications set forth in paragraph 191 of our present tariff.

The limits, either fixed at 7, 11, 15, 16 to 18, and all over 18, comprise the subdivisions of jewelry as recognized and adopted by the watch manufacturers of America and Europe. If it be deemed desirable to place a higher rate on smaller movements, the same arrangement of five subdivisions can be extended to these goods, and there still would be but ten distinct classifications in place of twenty-two, proposed in the bill under consideration.

Section 253, in order to avoid the prolonged litigation to which our tariff has been subjected, should read as follows:

Parts of watches and clocks commonly known as watch and clock materials and suitable for repairs only.

Class VIII, section 185. The application of this section would be facilitated if amended to read as follows:

Printing paper, white or colored, unprinted, suitable for books or newspapers, N. W., 100 kilos..... $3.00

The substitution of the word printing for the term "for printing purposes" and the additions of the words "suitable for books or newspapers" do not alter the intent of the paragraph, but limits its scope to the ordinary kinds of printing paper. If the paragraph were allowed to remain in its present form it would be

doubtless would be so construed, to embrace many papers which are not commercially known as printing paper.

Section 186. This section should, in my opinion, be amended to read as follows:

Common paper, continuous or in sheets, white or colored, used for wrapping packages, bundles, etc., not elsewhere provided for, N. W. 100 kilos, $3. The foregoing paper manufactured into bags of any kind shall be dutiable under this section when without printing, with a surtax of 30 per cent. If printed, whether in sheets or bags, it shall be dutiable, with a surtax of 50 per cent.

The addition of the words "not elsewhere provided for" is made because of a suggestion to be offered later on in respect to section 195. In its present form this paragraph could be construed to include many papers which are not ordinarily used for wrapping purposes and would greatly impair the usefulness of section 195, as now framed.

Section 187. I respectfully suggest that the first part of this section be amended to read as follows:

Writing, letter, note, ledger, bond, and record paper, ruled or unruled, unprinted, white or colored, N. W., 100 kilos $8.00

The names of the various kinds of writing paper have been stated in order to make the application of this paragraph more definite. The words "in sheets" have been omitted in order that the object of this paragraph may not be defeated by the importation of this class of paper in rolls or other forms.

Section 190. I respectfully suggest that this paragraph be amended to read as follows:

Engravings, etchings, photographs, maps, and charts not elsewhere provided for, hand-painted designs or drawings in oil, water color, pastels, and pen and ink drawings for use in manufacturing and in industrial arts and sciences, N. W., per kilo..... $0.30

The words "prints" and "pictures" have been omitted because of their indefiniteness, as they could be interpreted to include many articles not intended to be embraced by this paragraph. The change above suggested would undoubtedly avoid much uncertainty, which statement is warranted by the experience of the examiners of this merchandise.

Section 191. I would respectfully suggest that there be added to this section another paragraph to read as follows:

(e) Lithographic prints from stone, zinc, aluminum, or other material on paper or other material intended for use otherwise than as above mentioned, and fancy articles of paper, in which such lithographic prints is the chief feature of manufacture, N. W., kilo $0.30

Section 193. This section should read "straw, sand, emory, and glass paper, N. W., 100 kilos, $1.75." The term "common packing paper" has been omitted because it is synonymous with the term "common paper used for wrapping packages, bundles, etc.," contained in sec-

tion 186, and if allowed to remain in this paragraph would, because of the difference in rate and duty, completely nullify the object of section 186.

Section. 195. This section should provide as nearly as possible by value for all papers not ordinarily used for wrapping or packing purposes and not already specially provided for in this tariff in order that the application of section 186 may be facilitated. To this end I would respectfully offer the following in place of the paragraph proposed:

Manila, copying and stereotype paper, paper known as bibulous paper, tissue paper, pottery paper, letter-press copying books, surface coated papers of all kinds, plain basic photographic papers for albumenizing, sensitizing or baryta coating, and drawing and tracing paper; crepe, filter, and gum paper, and all paper not specially provided for in this tariff, N. W., 100 kilos..... $4.00

Sections (*a*), (*b*), and (*c*), and the provisions for manila paper manufactured into bags, etc., to remain as proposed.

SEC. 196. Inasmuch as "rice paper" is a commercial term applied to the finer grades of cigarette paper, and as it would be extremely difficult to determine just what quality should be called "rice paper," I have to suggest that this paragraph be amended to read as follows:

Cigarette paper, printed or unprinted, in books, N. W	kilo..	$0.20
In rolls, reams, or other forms, N. W	100 kilos..	9.00

SEC. 198. It would appear that this section could be better interpreted if it were amended to read as follows:

Manufactures of paper: (*a*) All fancy boxes made of paper or pressed or glazed cardboard, or covered or lined with surface-coated or glazed paper, and all articles not specially provided for, in which paper is the chief value of manufacture, N. W	kilo..	$1.20
(*b*) Boxes of common paper, lined with plain paper, N. W	100 kilos..	2.00

SEC. 394. Paintings intended for use as works of art are very frequently executed on other materials than canvas, wood, and art paper, and I therefore respectfully suggest that this section be amended to read as follows:

Hand paintings in oil, water color, or pastel, and pen and ink drawings intended for use as works of art and not as a part of decoration of any other merchandise nor for use in the manufactures and industrial arts and sciences.

Class VIII, group 4, section 198. The two classes of merchandise described under this section covered by (*a*) and (*b*) take rates of duty widely dissimilar. It is the experience of this office that in many cases the difference between these two lines of merchandise is very slight. Much dispute and uncertainty would be avoided if one rate of duty could be made to apply to both these lines of merchandise. This remark applies also to section 363 (*a*) and (*b*) under Class XIII.

Respectfully,

T. C. WORDIN,

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, June 6, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of the 14th ultimo, handing me copy of the proposed customs tariff for the ports in the Philippine Archipelago, and asking whether I have any suggestions to recommend, especially as to the language of the tariff or rates, I would say that, being unfamiliar with the conditions existing in the Philippine Archipelago, I do not feel warranted in offering any suggestions in regard to the proposed tariff. I would state, however, that the schedules, paragraphs, and classes named below cover goods similar to those examined and appraised in this division of your office.

Schedule 4, paragraphs 126, 127: Cotton tulles and laces.

Schedule 5, paragraphs 149, 150: Tulles and laces of hemp, flax, or other vegetable fibers.

Schedule 7, paragraph 180: Tulle and lace silk.

Schedule 4, paragraph 131: Cotton trimmings.

Schedule 7, paragraph 183: Silk trimmings.

Schedule 7, paragraphs 181, 182: Silk velvet and plushes.

Schedule 13, paragraph 368: Umbrellas and parasols.

Schedule 7, paragraph 175: Plain silk.

Schedule 7, paragraph 176: Floss waste raw silk.

Schedule 7, paragraph 177: Silk and cotton mixed.

Schedule 7, paragraph 171: Spun silk.

Schedule 7, paragraph 175: Plain silk, Japan and China; silk and cotton ribbons (Rule 7); silk shawls, embroidered (Rule 11); Japanese silk wearing apparel (rule 13).

Respectfully,

WARNER SHERWOOD,
Assistant Appraiser, Third Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, June 3, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: In reply to yours of May 14, soliciting any suggestions as to the language of the proposed tariff of the Philippine Archipelago, I beg to suggest that a more specific description be given as to the size of flax, hemp, and jute yarn on page 29, Class V, No. 135 to 139, inclusive.

The size of flax and hemp yarn is more particularly specified by the word "lea" than the number, and the size of jute yarn is generally known by the "pound;" that is to say, a certain length of jute

yarn of a certain weight is known as a 6-pound, 7-pound, or 8-pound yarn, as the case may be.

If the word "lea" was used in connection with the jute yarn, as in our present tariff, there would be no difficulty arising, because the lea of a 6-pound jute yarn can be readily ascertained, as, for instance, a 6-pound jute yarn is an 8-lea yarn, but there is no system of determining the size of either flax or jute yarn by the number, as with cotton yarn.

Evidently the idea of the law is to bring flax, hemp, and jute yarn to the cotton standard of weight and measurement, which is not the practice of the trade in any market of the world, or by reason of its translation from the Spanish "lea, pound, or number" into the English as "the size or number." I would therefore suggest that the following numbers be changed so as to read:

No. 135: "Yarn of hemp or flax from lea and finer."

No. 136: "Yarn of jute not finer than lea."

No. 137: "Yarn of hemp and flax not finer than lea, and yarn of jute finer than lea, inclusive."

In order to ascertain the lea of a jute, flax or hemp yarn we take a certain length of yarn in yards, multiply by 23½ and divide the product by its weight in grains (avoirdupois), and the result will be the lea of a single-ply yarn.

The number of a cotton yarn is ascertained as follows: Take a certain number of yards and multiply by 8⅓, divide the product by its weight in grains (avoirdupois), and the result will be the number of a cotton yarn, single ply.

The standard of measurement of flax, hemp and jute yarn is a lea. A lea contains 840 yards to 1 pound (avoirdupois), consequently 1 yard or 1 lea would weigh 23½ grains, hence the use of 23½ in the foregoing rule.

A number of cotton yarn contains 840 yards to 1 pound (avoirdupois), consequently one number would weigh 8⅓ grains per yard, hence the use of 8⅓ in the foregoing rule.

Jute and dry-spun flax yarn are sometimes designated by the term "pounds." The Scotch standard for a pound is 14,400 yards; that means that it takes 14,400 yards to make a bundle. The weight of that 14,400 yards would describe its pound number as 8-pound, 6-pound, 4-pound, etc.

The following is a comparative table which will show the number of yards per pound in one given number in flax, hemp, jute, and cotton yarn:

A No. 10 cotton yarn measures 8,400 yards to the pound.

A 10-lea flax or hemp yarn measures 3,000 yards to the pound.

A 10-pound jute yarn measures 1,440 yards to the pound.

No. 140. Would suggest that it be amended to read:

Threads, twines, cords and yarns twisted of two or more ends, hammocks or fishing nets.

This suggestion is made for the reason that in our present tariff yarn or single ply was specially provided for and also thread. The distinction between a 2-ply yarn and a thread is such a fine one that it has caused a great deal of difficulty.

No. 124 to be amended to read as follows:

Plushes, velvets, velveteens, corduroys, and pile fabrics, cut or uncut.

No. 147 to be amended to read as follows:

Plushes, velvets, velveteens, and all pile fabrics, cut or uncut, composed of linen, jute, etc.

Respectfully,

E. A. HARTSHORN,
Assistant Appraiser, Fourth Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 23, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: In reply to your letter of the 14th instant, covering advance copy of proposed tariff for the ports in the Philippine Archipelago and asking for suggestions as to its language and rates, I have the honor to say that the rates named, as associated with our tariff law, seem very low, but ours is a law intended to foster American manufactures, and this law, I suppose, is intended mainly as a revenue law. I therefore refrain from any detailed consideration of the rates proposed.

I submit below a few changes of language for consideration, which, if adopted, will, I think, prevent some controversy.

I have only examined the parts of the proposed law which deal with the merchandise passed in my division.

SUGGESTIONS.

Page 29, No. 125:

Underwear.—"Simple finish or rough sewing" and "double sewing or fine finish" are not usual trade designations, and seem to me indefinite. I suggest that a single rate of duty, omitting these limitations, would be better.

Hosiery.—The same objection applies as to the language, and I suggest "fashioned and shaped" for the best grade of goods, and "not fashioned and shaped" for the lower grade. (See paragraphs 317 and 318, tariff of 1897.)

Page 32, No. 151: "Carpets wholly of jute, hemp, or other vegetable fiber."

No. 155: "Wool waste," instead of "garbage of wool, carded."

Page 33, No. 157: "Carpets made wholly or in part of wool."

Page 34, No. 160, and page 32, No. 148: Should be omitted, as contradicting No. 125.

Page 38, No. 229: Should be "gloves made of leather." (See paragraph 439 et seq. Tariff of 1897.)

Page 39, No. 239: Should be "ornamental feathers, crude or manufactured."

Page 47: Better omit paragraph 371. It conflicts with 369 and 370.

Respectfully submitted.

L. B. EARHART,
Assistant Appraiser, Fifth Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 24, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Replying to your inquiry of May 14, relative to the wording of the proposed tariff in the Philippines, I have to report that wool dress goods, flannels, cloths, wearing apparel, and all manufactures and tissues of wool are provided for under class 6 in paragraphs 154 to 168, inclusive, at specific rates. Cotton laces are provided for under paragraph 127, and mattings and manufactures of straw under paragraph 213, also at specific rates. The paragraphs covering these goods are so clear as to make the administration of this proposed tariff easy and void of all questions that have vexed us under the tariff of 1897.

Respectfully,

I. P. SKILLMAN,
Assistant Appraiser, Sixth Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 25, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of the 14th instant, requesting that suggestions be made as to the language used in the proposed customs tariff for the Philippine Islands, I have to report that the various articles passed in the seventh division are covered almost entirely by Class III from paragraphs 76 to 109, inclusive.

After a careful examination of the language used in said paragraphs

I can not see anything relative to the merchandise which can be more intelligently expressed, and therefore have no suggestions to make regarding the matter as far as changes are concerned.

Respectfully,

A. W. HAMILL,
Assistant Appraiser, Seventh Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., May 29, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Replying to your communication of the 14th instant regarding the proposed tariff for the Philippines, I beg to state that after carefully looking over the advance copy of said tariff and comparing the same with the paragraphs affecting the following classes of merchandise appraised in this division, I am unable to suggest any changes in the said schedule.

Merchandise.	Class.	Group.	Paragraphs.
Glass	1	5	14 and 15.
Leather	10	2	225–228 and 230–236.
Sugar and glucose	12	3	304.
Cocoa	12	3	305(b).
Honey, molasses, and sirup of cane	12	6	350.
Chocolate	12	6	343.
Confectionery and sweetmeats	12	6	344–345.

Respectfully,

MICHAEL NATHAN,
Assistant Appraiser, Eighth Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., June 8, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of May 14, 1901, accompanied with a copy of the proposed customs tariff for the ports in the Philippine Archipelago, as recommended by the Philippine Commission, requesting suggestions as to language of the tariff and rates, I have to report:

Class II, paragraph 54, "Cutlery," reads as follows:

(a) With common wooden handles, such as used by butchers, shoemakers, saddlers, and cooks, including table knives and forks with common wooden handles, and unpolished or japanned scissors, N. W	kilo..	$0.15
(b) Surgical, including dental instruments, pocket cutlery, side arms (not fire), and pieces for same, razors, N. W	kilo..	.60
(c) All other cutlery, including other scissors, fishing hooks, N. W	kilo..	.30

It is suggested that these provisions be amended to read as follows:

(a) Butchers', shoemakers', saddlers', and cooks' knives with wood handles, table knives and forks with wood handles, scissors and shears not better finished than glazed, with glazed or japanned bows, N. W	kilo..	$0.15
(b) Surgical and dental instruments excepting scissors and shears, pocket cutlery, side arms (not fire), and pieces for the foregoing, razors, N. W	kilo..	.60
(c) All other cutlery, including scissors and shears, not otherwise provided for, fishing hooks, N. W	kilo..	.30

The following are reasons for suggesting these changes:

Butchers, shoemakers, saddlers, and cooks use knives other than those commercially known as butchers', shoemakers', saddlers', and cooks' knives. It may be construed that, say a carving knife with a wood handle, imported for the use of persons engaged in these trades, would pay 15 cents per kilo, while such a knife imported for the use of persons not engaged in these trades would pay 30 cents per kilo.

The word "common" preceding the words "wooden handles" in provision (a) is open to controversies as to what is common wood. Beech, rose, dog, and plum wood are commonly used for handles of butchers,' shoemakers,' and saddlers' knives, while ebony is almost exclusely used for cooks' knives. It is suggested that the provision for cooks' knives in paragraph (a) be dropped and the following provision added to this paragraph:

Kitchen, bread, vegetable, cheese, plumbers', and painters' knives with wood handles.

The paragraph would then cover all cheap knives with wood handles used in these trades and in the household.

Shears unpolished or japanned are not provided for. There is no fixed or commercial dividing line as to where a scissors ends and a shear begins. Scissors and shears are usually finished glazed, blue polished, crocus polished, or nickel plated. The obvious purpose of the proposed tariff is to provide a low rate for poorly finished scissors and shears and a higher rate for such articles better finished.

Some of the higher valued scissors and shears are nickel plated and therefore, being unpolished, would pay the same rate as the poorly finished.

A large and important portion of what is commercially known as surgical and dental instruments is in fact scissors and shears, many of which are identical in shape to those in common use. There would certainly be a continual controversy whether or not the scissors or shear is surgical or otherwise. To avoid such controversies it is suggested that the provision for surgical and dental instruments be amended to not include scissors and shears.

It is also suggested that in view of the fact that surgical instruments are exclusively used for the relief of the sick or unfortunate

that such articles be grouped with those provided for by paragraph (c) at 30 cents per kilo, and not at the highest rates provided for by paragraph (b).

It is noted in the index that the Commission evidently contemplates that agricultural tools shall pay a low rate. Pruning knives are indexed as being provided for by paragraph 46 (b) at $1.50 per 100 kilos. The provision of paragraph 54 (b) for pocket cutlery at 60 cents per kilo, also paragraph (c) for all other cutlery at 30 cents per kilo would cover all pruning knives. It is suggested that the following provision be introduced to follow paragraph 54 (b) and precede 54 (c):

Pruning and budding knives, grass, garden, hedge, pruning, and sheep shears, N. W ..... kilo.. $0.05

Paragraph 54 amended as suggested herein would read as follows:

Cutlery:

(*a*) Butchers', shoemakers', saddlers', kitchen, bread, vegetable, cheese, plumbers', and painters' knives with wood handles, table knives and forks with wood handles, scissors and shears not better finished them glazed, with glazed or japanned bows, N. W ..... kilo.. $0.15

(*b*) Pocket cutlery, side arms (not fire), and parts for the foregoing, razors, N. W ..... kilo.. 0.60

(*c*) Pruning and building knives, grass, garden, hedge, pruning, and sheep shears, N. W ..... kilo.. 0.05

(*d*) Surgical and dental instruments, fishing hooks, and all other cutlery, including scissors and shears, not otherwise provided for, N. W ..... kilo.. 0.30

Respectfully submitted.

T. C. ANDREWS,
Assistant Appraiser, —— Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
New York, N. Y., May 24, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of the 14th instant, asking for suggestions on the proposed customs tariff of the Philippines, I have the honor to report that after a careful consideration of the matter I have arrived at the conclusion that the language in the copy of the proposed tariff furnished me, covering lines of merchandise passed in this division—

Class III.—Paragraph 103; paragraph 104 A; paragraphs 107 and 108.

Class XII.—Paragraph 283 to paragraph 303; paragraph 305 A; paragraph 306 to paragraph 309; paragraph 311 to paragraph 317; paragraph 319 to paragraph 326; paragraph 327 to paragraph 338; paragraph 341 and 342; paragraph 344 to paragraph 349.

Class XIII, sec. 11.—Paragraph 380; paragraph 382; paragraph 388 to paragraph 392.

is explicit, and, therefore, I am unable to offer any suggestions.

Respectfully,

G. H. LUFBURROW,
Assistant Appraiser, Tenth Division.

OFFICE OF THE APPRAISER OF MERCHANDISE,
Port of New York, N. Y., June 24, 1901.

Hon. W. F. WAKEMAN,
United States Appraiser.

SIR: Referring to your letter of June 21, 1901, in which you ask for suggestions as to what ad valorem rate of duty might, with justice, be placed upon watches and clocks in the Cuban and Philippine tariffs, I have the honor to reply that upon inquiry I learn that the simple language employed in paragraphs 172 and 173 of the act of August 24, 1894, was found upon practical experience to be well suited to the classification of merchandise embraced within the lines therein provided for. I would therefore respectfully suggest the following as a substitute for the language recommended in my letter to you of May 25, 1901, covering watches, clocks, and parts thereof:

Chronometers, box or ship's, and parts thereof, ten per centum ad valorem.

Watches and clocks, or parts thereof, whether separately packed or otherwise, fifteen per centum ad valorem.

Respectfully,

T. C. WORDIN,
Assistant Appraiser, Second Division.

WASHINGTON, D. C., *May 21, 1901.*

MY DEAR SIR: The tariff proposed for the Philippine Islands by the Philippine Commission has evidently been carefully considered and is well adapted in many particulars to the needs of an undeveloped country. I submit herewith, however, a number of suggestions for change, which I think would add still further to the symmetry of the schedules as they stand and their relations to each other.

A considerable number of the changes proposed depart in a guarded way from the principle of entirely specific duties, to which the proposed tariff so closely adheres. It is obvious that upon articles differing greatly in value, but falling under the same item of the tariff, the ad valorem equivalent of the duty must grow smaller upon articles of the highest value. This can only be remedied under the specific system by a very minute system of classification, which is sometimes followed in the tariff of the United States. Such a system involves, however,

much complication and expert appraisement, and is not necessary where the element of protection to domestic interests is not a controlling consideration.

I appreciate the purpose of the preference given by the Philippine Commission to the specific system of duties and the force of the arguments which they make for this system. I would not recommend that it be abandoned or modified by a minute system of classification. I would simply suggest that in certain cases a low ad valorem duty be added to the specific duty, as a limitation below which the proposed duties should not fall.

The tendency of such a limitation would be to equalize differences in the duties paid according to the value of the articles affected. There are few cases in which I would suggest going above 25 per cent where a limitation of this kind is imposed. Such a limitation would not impose a serious burden upon imported articles, and would probably add materially to the revenue. By equalizing the duties upon different grades of articles it would tend to prevent discrimination between articles subject to the same duty but differing in value, which might result under the specific system in unexpected losses of revenue through the preference given to the importation of certain articles to the exclusion of others.

The objections made by the Philippine Commission to ad valorem duties are stated with force and are entitled to serious weight. The chief of these objections are found in the liability to intentional undervaluation by importers and the lack of sufficient technical skill among appraisers to insure accurate valuations.

In mitigation of these objections it may be said that intentional undervaluations are much less probable if the ad valorem duties are low and constitute only a limitation upon the total duties, than if the ad valorem duties are high, as under some schedules of the United States tariff. Intentional undervaluation can not affect the specific part of the duty, and can result in only a trifling saving upon the ad valorem part when the undervaluation is limited to a small percentage of the total value and the ad valorem duty reaches only a fraction of the undervaluation.

Even if appraisements for the levy of an ad valorem duty were not absolutely accurate, the results would be less serious and cause less discrimination between those interested than in the United States. The duties in the United States are adjusted with great nicety to promote certain domestic industries, and undervaluation amounting to 10 per cent is sometimes sufficient to affect the margin of difference between domestic and foreign prices. This condition would be almost entirely absent in the Philippines, because their chief industries are not such as encounter foreign competition, and articles imported would not affect seriously the production of the islands.

A certain degree of looseness, therefore, in the exact valuation of imported articles would not have serious effects upon the revenue, the interests of the Philippine consumer, or the industries of the Philippine Islands. Inequality of treatment between different importers would be the most serious danger, but if an appraiser, through ignorance, undervalued articles of a certain class, he would undervalue such articles for one importer as much as for another, with the result of a rough equality of treatment for all. Any undervaluation and erroneous appraisements which might occur, moreover, could not afford greater inequalities than would inevitably occur under the system of purely specific duties through the very nature of their operation.

These general observations explain the reasons for many of the changes set forth in detail in the memorandum which follows:

CHANGES SUGGESTED IN THE PROPOSED PHILIPPINE TARIFF.

Rules 16 and 17.—It is suggested that section 7 of the Dingley Act be substituted for rules 16 and 17. This section of the Dingley Act covers all the points arising in connection with articles of composite material and provides for a decision in each case in favor of the Government. Rule 17 as it stands seems to require a determination of motive, which it would be difficult to prove. It is, moreover, of doubtful public policy to establish such a rule. The adaptation of goods to systems of taxation is not immoral and should not be subjected to penalties. The effort toward such adaptation has often resulted in important inventions and economies in methods of production. Section 7 of the Dingley Act, which it is suggested be substituted for the whole of rules 16 and 17, is as follows:

SEC. 7. That each and every imported article, not enumerated in this act, which is similar, either in material, quality, texture, or the use to which it may be applied, to any article enumerated in this act as chargeable with duty, shall pay the same rate of duty which is levied on the enumerated article which it most resembles in any of the particulars before mentioned; and if any nonenumerated article equally resembles two or more enumerated articles on which different rates of duty are chargeable, there shall be levied on such nonenumerated article the same rate of duty as is chargeable on the article which it resembles paying the highest rate of duty; and on articles not enumerated, manufactured of two or more materials, the duty shall be assessed at the highest rate at which the same would be chargeable if composed wholly of the component material thereof of chief value; and the words "component material of chief value," wherever used in this act, shall be held to mean that component material which shall exceed in value any other single component material of the article; and the value of each component material shall be determined by the ascertained value of such material in its condition as found in the article. If two or more rates of duty shall be applicable to any imported article, it shall pay duty at the highest of such rates.

Rule 18.—It is suggested that this rule be amended so that the second clause following the semicolon shall read as follows:

Provided, however, That if it shall appear that any articles or materials used as such packing, packages, receptacles, or coverings have an appreciable market value as merchandise, full duty shall be collected on said articles or materials so imported according to their proper numbers.

The change is suggested because the original rule seems to deal with the question of intent in importing the coverings. The change leaves it discretionary with the appraising officers to determine whether the articles have "an appreciable market value." This would obviate the necessity of imposing duty upon coverings which were not actually sold or treated as merchandise, while the language as it stands might compel the levying of duty upon coverings upon the ground merely that they had intrinsic value. The latter condition would of course be governed by the question of motive already referred to, but the change seems more in accordance with the language and practice of the tariff of the United States.

Rule 22.—It is suggested that the language of this rule be changed to read as follows:

Rule 22. When the same package contains two or more articles dutiable on gross weight and paying different rates of duty, the article or articles subject to the highest rate of duty in proportion to their value shall be dutiable with all their separate packing and with the weight of all exterior packages. The other articles shall be dutiable separately.

It is believed that this change will remove ambiguity attaching to the phrase "the article most highly taxed." There might be doubt whether this referred to those paying the highest rate per kilogram or those paying the highest rate ad valorem. It might happen that the highest rate per kilogram upon articles of high value would be much less in proportion than a lower rate per kilogram upon an article of small value. The intent appears to be to levy the higher of the two duties, according to value, upon the coverings. This intent would be defeated in some cases if only the duty nominally the highest were levied, and would probably lead to dispute between importers and the Government as to the interpretation of the clause.

Rule 23.—It is suggested that the comma after the words "gross weight" in the third line be stricken out, and that the word "the" be inserted before the word "weight" in the last line.

Section 5, paragraph (4): It is suggested that this paragraph is broader than is required and might lead to vexatious demands by competing producers for the exclusion of imported articles. The tariff of the United States (sec. 11, act of July 24, 1897) has a provision against the importation of "merchandise which shall copy or simulate the name or trade-mark of any domestic manufacture or manufacturer, or which shall bear a name or mark which is calcu-

lated to induce the public to believe that the article is manufactured in the United States." This appears to be designed to prevent infringements upon the rights of citizens or inhabitants of the country in which the tariff applies. The proposed paragraph (4) goes much further than this in extending this protection to any manufacturer in any country of the world. It is questionable whether it is a proper part of tariff legislation to do this or whether the necessary data could be obtained to permit sound decisions. It is suggested that discretion be given to the customs officers, as proposed, but only in cases where they are convinced that the public interests require it. This would enable them to refuse to enter upon controversies raised by importers regarding competing articles from foreign countries, where the data for a sound decision could not readily be obtained and public interests did not require the intervention of the customs officers. It is suggested these considerations apply also to the following paragraph (5), and that the following should be substituted for the two:

(4) Any article which shall copy or simulate the name, trade-mark, label, or form of package of any manufacture or manufacturer, or whose country of origin is falsely represented by means of any print, stamp, label, or other device, or false token connected therewith, in such manner as to be injurious, in the opinion of the customs officers, to the interests of legitimate manufacturers or importers or to the public.

Class I, paragraph 1.—It is suggested that the word "onyx" be inserted after the word "marble."

It is suggested that the rates upon these high-grade marbles and similar stones are extremely low, and that such low rates are not required to promote industrial construction, as may be the case with what follows under paragraph 2. It is suggested that the following rates be substituted:

Subhead (a): Fifty cents.
Subhead (b): Two dollars.
Subhead (c): Ten dollars.
Subhead (d): Six dollars.

The rate upon subhead (c) is advanced considerably because it seems to cover articles of fine grade which are essentially luxuries, for which importers can well afford to pay a fair rate. There are some reasons in a wealthy country like the United States for putting low rates upon such articles when works of art, but in a comparatively poor country it would seem that the importance of promoting art education by low duties in such cases should yield to the need for revenue.

Paragraph 10.—It is suggested that the rate be reduced from $2 per 100 kilograms to $1.25 per 100 kilograms. The reason for this reduction is suggested by the letter of the Hercules Gas Engine Works, of San Francisco, setting forth that launches run by gasoline are likely to find a considerable market in the Philippines if the tax is not too high upon the gasoline. It is pointed out in the same letter

that gasoline is likely to be imported at small cost from China and Japan if a low duty is fixed.

Paragraphs 13, 14, 15, and 16.—It is suggested that there be added at the end of paragraph 16 the following language:

> But none of the articles classified under paragraphs 13 and 16 shall pay a less rate of duty than 30 per cent ad valorem, and none of the articles classified under paragraphs 14 and 15 shall pay a less rate of duty than 20 per cent ad valorem.

The objects of this proviso are to equalize the duties upon articles which vary materially in character and value, to increase the revenue, and to levy proper charges upon articles of the highest value. The ad valorem rates proposed are lower upon the more common articles, most likely to be needed for construction and simple furnishings, and higher upon fine glassware. The rate fixed by the United States tariff is 60 per cent upon vessels of cut glass and 50 per cent upon spectacles of the highest value. The duties proposed for the Philippines, therefore, are only about half those in the United States, and should not hamper importations.

Paragraph 21.—It is suggested that the surtax levied by this paragraph upon fine porcelain is very high, even upon a luxury, and being a surtax upon the duty and not upon the value of the article does not contribute to equalize the rates upon articles of different value. It is suggested that 60 per cent is the highest duty which should be levied upon articles of luxury, except possibly high grade wines and tobacco, and that the concluding clause should be stricken out and the following substituted:

> None of the articles classified under this paragraph shall pay a less rate of duty than 60 per cent ad valorem.

The change of language obviates also any contention over what articles might be included under the definition of "similar fine porcelain" in the paragraph as it stands.

Paragraphs 24-26.—Strong reasons are presented by several exporters why specific duties are impracticable upon precious stones, because of the wide differences in their value. It has been found difficult in all countries to collect a high duty upon such articles, because their small bulk so easily permits concealment. The tariff of the United States imposes a duty of only 10 per cent upon diamonds when not set and 20 per cent ad valorem upon imitations of precious stones. It is suggested that the following be substituted for these paragraphs:

> 24. Precious stones and doublets, unset, N. W., 15 per cent ad valorem.
> 25. Pearls and seed pearls, N. W., 10 per cent ad valorem.
> 26. Imitations of precious stones and of pearls, N. W., 15 per cent ad valorem.

Paragraph 46.—As these tools are likely to vary greatly among themselves in fineness and value, so that a pound of one class may be many times the value of a pound of other classes, it is suggested that

an ad valorem limit be applied to both the items under this paragraph by adding the following proviso:

Provided, That none of the articles classified under this paragraph shall pay a less rate of duty than 15 per cent ad valorem.

Paragraphs 51–54.—These rates seem extremely low and promise great differences in the net rates levied upon goods of different values. In the case of cutlery, for instance, if the value of the cheapest class of goods was 10 cents per piece and 15 pieces made up a kilogram, the duty would amount to 1 cent per piece, or 10 per cent ad valorem. If, on the other hand, more costly goods were worth 50 cents apiece without being materially heavier, the duty of 1 cent apiece would amount only to 2 per cent ad valorem. It is obvious, whether these values and weights are accurate or not, that there must be a radical difference in the net ad valorem rate under a specific duty of this character. It hardly seems to be sound policy to levy a rate so much lower upon the goods purchased by the rich and well-to-do than is levied upon those of the cheapest class used by the poor. Wide differences in value and in proportion to weight are likely to be found also in surgical instruments, pocket cutlery and side arms, needles, and pens. It is suggested, therefore, that the following proviso follow paragraph 54:

Provided, That none of the articles classified under paragraphs 51, 52, 53, and 54 shall pay a less rate of duty than 15 per cent ad valorem.

Paragraphs 59 and 69.—It is suggested that the same arguments regarding variation of value made regarding paragraphs 51–54 apply also to the great variety of articles covered in this paragraph, and that the following should be added in each case:

Provided, That none of the articles classified under this paragraph shall pay a less rate of duty than 15 per cent ad valorem.

Paragraph 71.—The rate here imposed upon nickel seems to be very low. The rate in the United States is about $12 per 100 kilograms, or 16 cents per pound (paragraph 185 act of July 24, 1897). It does not appear that nickel is an article of such vital necessity to the industrial development of the Philippines that it should be admitted at an exceptionally low rate. It is suggested that the rate per 100 kilograms under subhead (a) be made $4 and the rate under subhead (b) be made $6.

Paragraph 73.—Some of the articles classified under this paragraph are likely to represent considerable value and make the duties small in proportion. It is suggested, therefore, that the following proviso be added:

Provided, That none of the articles classified under this paragraph shall pay a less rate of duty than 15 per cent ad valorem.

Paragraph 87.—The rate in subhead (b) seems very low, and it is suggested that this be divided into two subheads as follows:

(b) Writing and drawing inks, N. W .....100 kilos.. $4
(c) Printing inks, N. W .....100 kilos.. 2

Paragraphs 97, 98, and 99.—These rates seem low in relation to others in the chemical schedule. It is suggested that they might be availed of by chemical or mechanical mixture, in view of their general terms, for bringing in articles subject separately to higher rates of duty, which would bring them under one of these heads. It is suggested that the following proviso be added:

Provided, That none of the articles classified under paragraphs 97, 98, and 99 shall pay a less rate of duty than 15 per cent ad valorem.

Paragraphs 185–187.—The rate for news paper is extremely high. It is also open to the objection that it is identical with the rate on books, when the ratio of value between news paper and high-class books might vary as much as 4 cents and $4 per kilogram. The strong arguments for admitting news paper and all printing paper under favorable conditions are set forth in the accompanying communications of the International Paper Company and others. It is proper, however, that some revenue should be derived from paper, and it is suggested that the rate under paragraph 185 be made 50 cents; under paragraph 186, $1; and under paragraph 187, $3.

Paragraphs 188 and 189.—There appears to be no reason why these paragraphs should be separated, since the difference in rate of duty under the old tariff has been changed to a uniform rate. The rate of $3 per 100 kilograms is low, however, for such books as are not entitled to free entry. The rate in the United States tariff upon books is 25 per centum ad valorem, and 100 kilograms of even cheap books would probably represent a value of not less than $60. There appears to be no separate classification for blank books, which should be admitted at a less rate than printed books. It is, therefore, suggested that paragraphs 188 and 189, as they stand, be consolidated and a new paragraph inserted, which would not change the serial numbering of the paragraphs at this point. The proposed paragraphs are as follows:

188. Books, bound or unbound, and other printed matter not otherwise specially provided for, N. W., 100 kilograms, $3: *Provided,* That none of the articles classified under this paragraph shall pay a less rate of duty than 15 per cent ad valorem.
189. Blank books, N. W., 100 kilograms.

Very respectfully, yours,

CHARLES A. CONANT.

WASHINGTON, D. C., *May 27, 1901.*

MY DEAR SIR: In addition to the modifications already suggested in the proposed tariff for the Philippine Islands, I beg to submit herewith some additional changes.

Paragraph 206.—There seems to me to be some danger that the provisions of this paragraph, for admitting furniture upholstered with stuffs of pure or mixed silk or leather, might be availed of for introducing such stuffs for other purposes than furniture coverings. The rate is low for the finest goods, and cheap woodwork might be covered with fine stuffs and imported under this paragraph and the stuffs then removed from the woodwork for other uses. I would suggest that the following proviso be added, in order to avoid this danger:

Provided, That if the value of such stuffs used in upholstery shall be greater than the total value of the other component parts of the article imported, such stuffs shall be separately classified for duty as manufactures of silk or leather, as the case may be.

Paragraphs 206–209.—These paragraphs cover a variety of articles, differing greatly in value according to grade. The duty is sufficiently high upon ordinary grades, but would be low upon some of the finest. It is therefore suggested that the following provision follow paragraph 209:

Provided, That none of the articles classified under paragraphs 206, 207, 208, and 209 shall pay a less rate of duty than 20 per centum ad valorem.

Paragraph 237.—It is suggested that subheads (*a*) and (*b*) should both have the words "and parts" after the definition of the item dealt with. It is also suggested that a low rate upon harness will be beneficial alike to American exporters and to the people of the Philippine Islands, and would enable the latter to employ a better and more durable grade of harness than is now used. Under subhead (*c*), it is suggested that the word "wares" be followed by the words "including saddles," in order to bring them definitely under the same rate as harness and other saddlery. It is also suggested under this subhead that the words "of cardboard or leather" be modified, so as to read "wholly or in part of leather," in order that hat boxes and traveling bags of cardboard only should not be classified under this subhead. It would seem that they would belong under manufactures of paper, but if partly of cardboard and partly of leather they would properly fall under this provision. With these changes, and with reductions in the proposed rates, the paragraph would read as follows:

237. Saddlery and harness:

(*a*) Draft harness and parts, other than for carriages, N. W	kilo..	$0.15
(*b*) Carriage harness and parts, N. W	kilo..	.30
(*c*) Other saddlery and harness makers' wares, including saddles, valises, hat boxes, and traveling bags, wholly or in part of leather, N. W	kilo..	.30

Paragraph 238.—It is suggested that this paragraph as it stands might conflict with the provision for furniture covered with leather and other paragraphs of the proposed tariff, and that it be amended by inserting after the word "leather," the words "not elsewhere specially provided for." It is suggested, also, that this rate be reduced to correspond in some degree with other reductions in leather goods, so that the paragraph would read:

238. Other manufactures of leather or covered with leather, not elsewhere specially provided for, N. W.....kilo.. $0.60

Paragraphs 246–252.—Such strong arguments are presented by the Keystone Watch Company and other manufacturers and exporters of watches against specific duties on both cases and watch movements, that an ad valorem duty is suggested upon all these items. Such a duty will tend to greater equality of treatment between different classes of watches and will be quite as easy to enforce equitably as the specific duty in the proposed tariff, because both call for expert knowledge of the real character of the cases—whether pure metal or only filled—and also of the number of jewels, so far as they affect the value of the watch. The United States tariff upon watch cases is 40 per cent ad valorem, and in watch movements is based upon the number of jewels, as in the proposed Philippine tariff. The tariff in the United States, however, is intended to hamper importation of foreign-made watches, which is not a governing motive in framing the Philippine tariff. For this reason, the suggestions of American manufacturers appear to be entitled to weight—that the classification by jewels would subject them to hardship, by requiring that watches be taken apart for examination. It is stated that there are not competent agents of the American watchmakers to put the parts together properly at Manila. It is suggested that, in order to promote importation and diminish the temptation to smuggling, a duty of 16 per cent upon watches and their parts would probably yield as much revenue as the higher rate levied on importations into the United States. This would permit the classification of watches and their parts under a single paragraph, as follows:

246. Watches, watch cases of all kinds, watch movements and parts of watches, 16 per centum ad valorem.

Paragraphs 266–271.—Typewriters and phonographs, provided for in paragraph 268, are required to pay a low rate of duty upon the average at $8 each under the proposed tariff. There are certain classes of cheap typewriters, however, which ought perhaps to be admitted at a lower rate, while a higher rate was levied upon those of high cost. It is suggested, therefore, that the specific rates upon typewriters and phonographs be reduced to $4, but that not less than 20 per cent ad valorem be collected in any case. The variety of articles and variation

in value in the items included under paragraphs 266–271 also justify a general clause requiring a minimum ad valorem rate. It is therefore suggested that the following be added after paragraph 271:

Provided, That none of the articles classified under paragraphs 266, 267, 268, 269, 270, and 271 shall pay a less rate of duty than 20 per centum ad valorem.

Paragraph 283.—It is suggested that this rate is high and might be reduced to 3 cents per kilogram instead of 5 cents.

Paragraph 284.—It is suggested that "net weight" be substituted for "gross weight" in this paragraph, since the packings would possess considerable weight.

Paragraph 287.—It is suggested that "net weight" be substituted for "gross weight" on cottolene and all imitations of lard, in order to conform to the requirement in regard to genuine lard.

Paragraph 289.—It is suggested that the rate under subhead (*a*) be reduced to 50 cents and under subhead (*b*) to $1.50.

Paragraph 292.—It is suggested that the rate under subhead (*b*) be reduced to 60 cents per 100 kilograms, in order to promote the importation of wheat flour.

Paragraph 322.—It is suggested that the word "cocktails" be inserted after the word "liqueurs." Cocktails are apparently included in the original language, but as the insertion is specially desired by American exporters and will definitely settle the classification, there appears to be no objection to its insertion.

Very respectfully, yours,

CHARLES A. CONANT.

Col. CLARENCE R. EDWARDS,
Division of Insular Affairs, War Department.

WASHINGTON, D. C., *June 5, 1901.*

My DEAR SIR: Referring to the provisional draft of the Philippine tariff, I beg to submit the following suggestions for changes and the reasons therefor:

Paragraphs 281 and 282.—There seems to be grave doubt of the wisdom of providing any duties for vessels imported into the Philippine Islands, unless such charges are limited very strictly to vessels used exclusively on the interior waters of the islands and not engaged in the foreign trade nor the coasting trade. It is contrary to the policy of the United States to levy duties upon vessels engaged in transportation on the ocean, even though between different ports of the Union. When the attempt was made to levy such duties upon a foreign-built yacht, it was decided by the Supreme Court that vessels entering ports of the United States were not "imported articles" within the meaning of the tariff laws and that no collector or appraiser

had jurisdiction to classify them for duty in any manner. The court not only ruled against the duty, but held that the owner of the vessel was not bound to admit the jurisdiction of a collector or appraiser over his vessel, because such officers had jurisdiction only over "imported articles."

It would seem that all proper charges upon vessels engaged in the foreign or the coasting trade are made under the navigation laws and later provisions of the proposed tariff for tonnage dues. It is suggested, therefore, that group 4 be stricken out.

Paragraphs 327 and 328.—It is represented by Messrs. Armour & Co. that dispute will arise in regard to the classification of articles under these paragraphs. They state that this confusion can be avoided by drawing a dividing line defining what comes under paragraph 327 according to the value per dozen cans. It is accordingly suggested that the words "not spiced or highly seasoned" be stricken out and the following words substituted:

When not exceeding in value $1 per dozen cans of the weight of one-eighth of a kilogram for each can and not exceeding in value $1.75 per dozen cans of the weight of one-quarter kilogram for each can.

It is suggested that the corresponding change be made in paragraph 328, by striking out the words "such as" and substituting the words "including," and also by striking out the words "not in common use as ordinary food," and substituting the following:

When exceeding in value $1 per one dozen cans of the weight of one-eighth of a kilogram for each can and not exceeding in value $1.75 per dozen cans of the weight of one-quarter kilogram for each can.

Paragraphs 343–345.—It is suggested that in view of the great variations in value in these articles and as they are chiefly used as luxuries, they should not pay less than a moderate ad valorem rate. It is suggested that the following proviso follow paragraph 345:

Provided, That none of the articles classified under paragraphs 343, 344, and 345 shall pay a less rate of duty than 20 per centum ad valorem.

Paragraph 353.—It is suggested that the meaning will be quite as clear, if not clearer, if the words "or except those in which the predominant substance is" be stricken out where they occur between the words "mother-of-pearl" and "horn."

Paragraph 363.—It is suggested that cardboard and letter files classified under subhead (b) seem to belong under manufactures of paper in paragraph 198 (b). It might be desirable to insert the words "or cases" after the word "boxes" in both subheads (a) and (b) under paragraph 198, but it seems needlessly confusing to take cardboard cases out of the schedule for paper and put them in a different part of the tariff. In paragraph 363, subhead (b), it is suggested that the importation of highly finished cases of any character under this pro-

vision could be obviated by striking out the words "similar cases" and substituting the words, "materials not elsewhere subject to a higher rate of duty." The subhead, with these changes, would read as follows:

(*b*) Of common wood, wicker, and other materials not elsewhere subject to a higher rate of duty, N. W.....kilo.. .20

Paragraph 368.—The rates here imposed upon umbrellas and parasols seems low in case of expensive coverings, and the paragraph might lead to abuses similar to those suggested under the original language of paragraph 206. It is suggested that the following be added to paragraph 368:

But if the value of the stuffs used as coverings shall be greater than the total value of the other component parts of the article imported, such stuffs shall be separately classified for duty at the same rates as if separately imported.

Paragraphs 369–372.—All these provisions relating to hats and hat trimmings cover articles of very different values. It is suggested that the duties be equalized on the articles of higher value by adding after paragraph 372 the following:

But none of the articles classified under paragraphs 369, 370, 371, and 372 shall pay a less rate of duty than 20 per centum ad valorem.

Paragraph 384.—It is suggested that it would add to the clearness of the meaning of this paragraph to insert the word "appreciable" before the words "commercial value."

Paragraph 394.—It is suggested that the words "for use" are somewhat equivocal, and are hardly applicable to works of art. It is suggested that they be stricken out.

Paragraph 396.—A new paragraph should be inserted here to insure exact compliance with the provisions of article 13 of the treaty with Spain, that "Spanish scientific, literary, and artistic works, not subversive of public order in the territories in question, shall continue to be admitted free of duty into such territories for the period of ten years, to be reckoned from the date of the exchange of the ratifications of this treaty." Some confusion as to the interpretation of this clause may arise, whether badly written novels are properly "literary and artistic works," or whether historical, economic, and educational books would come under either of the provisions of the treaty. It is probably advisable to adopt the language of the treaty, in order to avoid protest by the Spanish Government, and to leave questions of interpretation to the customs officers and the courts. It will appear under paragraph 402 that the free entry of copies of scientific, historical, and economic works in any language is recommended under certain limitations. This would tend to narrow the field for controversy in regard to Spanish books of this character. It is suggested that provision should be made also in paragraph 396 against complete books pub-

lished in parts, not otherwise entitled to free entry. The entire paragraph, with the amendments suggested, would read as follows:

396. (*a*) Spanish scientific, literary, and artistic works, not subversive of public order, imported under provisions of Article XIII of the treaty between Spain and the United States, signed at Paris on the 10th day of September, 1898.

(*b*) Public magazines, reviews, newspapers, and like published periodicals, bibles and school books; but complete books, published in parts, and not otherwise entitled to free entry, shall not be classified under this paragraph.

Paragraph 402.—It is suggested that historical and economic works should be given the same privileges under this paragraph as philosophical and scientific books. Books on political economy might perhaps be classified as scientific, but precise definition will remove any doubt on the subject. It is also suggested that individual scholars should be given the same privileges in respect to books of this character as societies and institutions, but provision might properly be made that only a limited number of copies should be imported free of duty by one individual. This would guard against importations for sale, which would be further safeguarded by the authority given to prescribe regulations.

It is suggested that a new provision be added in favor of all books and music for the use of the blind. With these changes paragraph 402 would read as follows:

402. (a) Philosophical, historical, economic, and scientific books, apparatus, utensils, instruments, and preparations, including packing packages and receptacles thereof, specially imported in good faith and for the use and by the order of any society or institution incorporated or established solely for philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any college, academy, school or seminary of learning in the Philippine Islands, or of any public library, and not for sale or hire, subject to such regulations as may be prescribed by the collector of customs of the islands; and the provisions of this paragraph in respect to books shall apply also to any individual importing not exceeding two copies of any one work for his own use and not for sale or hire.

(b) Books and music in raised print, used exclusively by the blind.

If the regulations in each case are not complied with, or if the examination is not entirely satisfactory, the exemption shall be annulled, and the duties stipulated in the tariff shall be collected.

Very respectfully,

CHARLES A. CONANT.

Col. CLARENCE R. EDWARDS,
Division of Insular Affairs, War Department.

GIVEN TO THE PRESS.

[To be printed May 29.]

Some important changes are under consideration at the War Department in the provisional draft of the Philippine tariff which was published in March. The tariff as prepared at Manila was based entirely

upon the specific system of duties, which levies customs charges according to weight or number of the imported articles rather than according to value. This principle has the approval of Secretary Root, but it is thought desirable to apply an ad valorem limit in certain cases where there is a wide difference between the values of articles classified under the same paragraph. The specific duties will be retained in most of these cases, but it will be provided that the articles shall pay not less than a certain ad valorem rate. The ad valorem rate on the necessaries of life and articles essential to the development of the islands will not run higher than 15 per cent, but upon articles less necessary it will rise to 20 cent, and in the case of luxuries to higher proportions. In such cases the specific duty will first be assessed. The value of the article will then be estimated, and it will be determined whether the amount of the specific duty is as much as the ad valorem limit. If the amount of specific duty falls below the ad valorem limit, a sufficient amount will be added to bring the net duties up to the limit. If the specific duty is higher than the ad valorem limit, it will be collected in full without reference to such a limit. It is believed that this method of assessing the duties will obviate the objections made by the Philippine Commission to any ad valorem duties, upon the ground that they would afford temptation to undervaluation and be difficult to fix in the absence of competent experts in the custom-house at Manila. The effect of any practicable degree of undervaluation under the system proposed would be trifling upon the net duties paid and not worth the risk of seeking to defraud the revenue. Absolute accuracy in valuation will be less important, moreover, than under the American tariff, and the proposed system will in the nature of the case tend to equalize differences arising under the system of purely specific duties, even if the equalization is not perfect.

The limit of 15 per cent will apply to a great number of articles under the metal schedule which it was found impossible to distribute under specific duties. Tools and implements, cutlery, needles, pens, miscellaneous manufactures of iron and steel and of zinc, copper, and nickel will be required to pay duties of not less than 15 per cent. In all these cases the specific duty will be collected, whether it amounts to 15 per cent or more, but where it falls below 15 per cent ad valorem an estimate of the value of the article will be made and the amount of duty raised to 15 per cent ad valorem. Plate glass and mirrors will be required to pay not less than 20 per cent, while the limit in case of cut glass, watch glasses, and similar fine products will be fixed at not less than 30 per cent. It is probable that the rates on precious stones will be fixed at 15 per cent, in order to obviate the temptation to smuggling. The rate on nickel will probably be higher than in the provisional tariff prepared at Manila.

MEMORANDUM FOR THE SECRETARY OF WAR.

In re further modifications of the Philippine tariff.

The commercial interests of the Pacific coast, through boards of trade and other commercial bodies, by letters, petitions, and by wire, objected to certain rates in the tariff both as proposed by the Commission and as revised by the Department. Messrs. Shuster and Conant were instructed to call upon the people interested while in San Francisco, en route to Manila, and secure from them a full expression of opinion as to the items which had been the subject of correspondence between them and the Department. After said interview, and a personal examination of the subject, Messrs. Shuster and Conant wrote to the Department and suggested a modification of the tariff. In order to see at a glance how the subject has been treated and what is recommended, attention is invited to the following:

[As drafted by the Commission.]

329.	Canned or potted fish, and sea food, such as cod, salmon, herring, sardines, oysters, clams, and generally all sea products preserved in cans or jars, not highly spiced or seasoned, N. W	kilo..	$0.05

[As revised by the Department.]

317.	Canned or potted fish, and sea food, such as cod, salmon, herring, sardines, oysters, clams, and generally all sea products preserved in cans or jars, N. W	kilo..	.05

[Modification recommended in letter.]

317.	Salmon, cod, and herring in cans or jars, N. W	kilo..	.035
	(*a*) Other canned or potted fish, and sea food, such as sardines, oysters, clams, and generally all sea products preserved in cans or jars, N. W	kilo..	.06

It will be observed that the only change made by the Department in the original draft was the omission of the words "not highly spiced or seasoned," and the object of such change was to avoid ground for contention between importer and collector as to whether any certain shipment was or was not highly spiced or seasoned.

No change was made in the rate as suggested in the original draft.

[Reasons for placing a lower rate on salmon.]

The change recommended in the joint letter of Messrs. Shuster and Conant is that they divide the paragraph into two parts, taking salmon, cod, and herring out of the general class and giving them a rate of 0.035 cent, a reduction of 1½ cents per kilo, and putting the other articles enumerated under said paragraph into another class and giving them a rate of 0.06 cent. After looking into wholesale prices in California, the original rate appears to be about 42 per cent ad valorem,

which would prohibit the importation of the lower grades of salmon; and believing that increased revenue would result from a lower rate, the above change was recommended.

CANNED FRUITS.

The original draft of the tariff classified and affixed the following rates:

[As drafted by the Commission.]

334. Canned or preserved fruits:
(*a*) With just sufficient sugar to preserve the fruit, belonging to the class known as pie fruits, in wood, G. W.....100 kilos.. $3.50
(*b*) With more sugar than in the foregoing paragraph, but not belonging to the class of preserves, whether put up in tin or glass, such as canned pears, apples, peaches, and the like, N. W....kilo.. .05
335. Canned or bottled preserves and jams, with high percentage of sugar, whether put up in tin or glass, N. W .....kilo.. .09

[As revised by the Department.]

322. Canned or preserved fruits:
(*a*) In wood, G. W.....100 kilos.. 3.50
(*b*) In tin or glass, N. W .....kilo.. .06

[Modification recommended in letter.]

322. Canned or preserved fruits:
(*a*) In wood, and those belonging to the class known as "pie fruits," packed in water, in tins or glass, N. W.....kilo.. .02
(*b*) Others, in tins or glass, including those packed in sirups, known as "table fruits," N. W .....kilo. .04

[Reasons for placing a lower rate on canned fruits.]

It will be noted that the Department revision was to simplify classification, and made no change in the lower rate in wood, but (*b*) under 334 and 335 were placed together under (*b*) of 332 and the two rates of 0.05 and 0.09 were combined into a single rate of 0.06.

According to representations made by persons interested in California these rates in some instances would exceed 100 per cent of the original wholesale price of the goods, and therefore the reduction to 0.02 and 0.04 cent is recommended by Messrs. Shuster and Conant in their letter, to which attention is invited.

[Root-beer interests request a lower duty.]

Attention is invited to the attached letter from a root-beer manufacturer urging the removal of duties from their goods. While an entire removal of duties is not recommended, yet upon an investigation of the subject it is clear that the duties are too high and a material reduction in the same should be made.

[Whisky in wood and in glass urged to be placed at same rate.]

There is also attached a letter from the Crown Distilleries Company again urging that whisky in wood and in glass be put at the same rate, as with the present differential it is affirmed that after a few cases of bottled goods are ordered inferior whisky will be imported in wood, and bottles bearing brands recognized as good will be filled with bad whisky, to the detriment of the reputation of the manufacturer whose brand is used, and also to the detriment of the revenues. The duty on the glass container, even if the rates were the same, would make bottled goods come some higher, and it is urged that with the tariff as at at present Germany wiil furnish a large part of the whisky imported in wood, and it will be made out of potatoes.

WAR DEPARTMENT,
DIVISION OF INSULAR AFFAIRS,
OFFICE OF THE SECRETARY,
Washington, D. C., July 23, 1901.

DEAR GOVERNOR: Agreeable to your cable of June 15 last, in which you request the Department to select a man in every way qualified to fill the position of collector of customs for the Philippine Islands, as you have been informed by cable, the bearer, Mr. W. Morgan Shuster, late special deputy collector of customs of Cuba, was named and directed to report to the Department in Washington before being sent to Manila, that his services could be utilized in the final revision of draft of the Philippine tariff as submitted by the Commission, due to the invited recommendations of the commercial interests of the United States.

After careful investigation it is believed that Mr. Shuster is the best-equipped man to assume charge of the Philippine customs service, and to that end he has been selected for appointment on arrival in Manila. He is reported as thoroughly acquainted with the Spanish language, with Spanish-speaking people, their customs and business methods, and this knowledge, together with his wide practical experience in customs affairs, has peculiarly fitted him for the post he has been selected to fill at your request.

He takes with him for presentation to you 100 copies of the last page proofs of the tariff and repertory, containing all the changes made by this Department and the reasons therefor. I will await, by cable, any suggestions or recommendations you may see fit to make upon these changes, or in the absence of any, that notification should be cabled, whereupon the full edition will be put in print. According to your request, this draft as submitted by Mr. Shuster is being translated and will probably be completed about the time of his arrival.

Mr. Shuster has been requested to report in person to you immediately upon arrrival at Manila. I have every reason to believe that you will find him a loyal and capable assistant, upon whose devotion to duty and integrity you may with confidence rely. I commend him to your consideration, as also to the other officials of the Philippine Commission. He has been paid $300 from the Philippine revenues, the same salary that he received in Cuba, for his services between the 1st and 31st of July. It is assumed his salary and allowances thereafter should be the same as in the analogous case of Mr. Lawshe; however, his proper reimbursement and appointment are left to you and the Commission to execute upon his arrival.

Very respectfully,

ELIHU ROOT, *Secretary of War.*

Hon. W. H. TAFT,
Civil Governor of the Philippines, Manila, P. I.

WAR DEPARTMENT,
Washington, July 3, 1901.

By order of the President the following statute,[a] proposed by you for the revision and amendment of the law relating to duties on imports and exports of the Philippine archipelago, and the tonnage duties and wharf charges therein, is approved as amended, and you are authorized to enact and promulgate the same.

Very respectfully,

ELIHU ROOT, *Secretary of War.*

The PHILIPPINE COMMISSION, *Manila, P. I.*

I hereby certify that the above is a true and exact copy.

C. R. EDWARDS,
Chief of Division.

[The original of the above was transmitted in care of W. M. Shuster, direct to the Philippine Commission, July 24, 1901.]

[Copy of cablegram received at War Department September 16, 1901, 5.55 p. m., 10 Co. G. KN. Government. Manila.]

SECRETARY OF WAR, *Washington:*

Tariff act No. 230, enacted September 17, effective November 15. Recommend following rule three, last line, omit mixed; rule four, omit without being more than one-half; insert word of for mixed with, omitting second paragraph, rule sixteen; insert exterior before common; rule eighteen, add but shall include all interior or immediate receptacle; section six, part one, after explosives insert and fire

[a] Tariff as revised by War Department.

arms, all descriptions detached parts therefor: change military to civil, part three; omit section eight; omit fixed and words but such rates shall be changed accordance quarterly proclamation civil governor, page fourteen, rule six twenty change seventy Fahrenheit to corresponding centigrade; paragraph eight, nine leave as printed; eighteen to twenty-two inclusive make gross weight reducing rates twenty per cent; thirty-six, combine first two letters, rate seventy-eight; paragraph sixty-four, same change rate, four fifty; sixty-seven make hundred kilos; paragraph eighty, rates three and three fifty; ninety-four, transpose words and borax; ninety-seven, rate two cents; ninety-nine, omit chemical expert note, retaining proviso; paragraph one hundred five, proviso twenty-five per cent; one twenty-four should correspond language one fifty-one; paragraph one twenty-five, rates fifteen, thirty-five, four, and minimum ad valorem proviso, twenty-five per cent; one seventy-seven, rate one dollar; one eighty-four, rates two, four, ten dollars; hundred kilos after two hundred eight; add provided that articles classified under paragraphs two hundred five, six, seven, eight shall be admitted free duty until January first, nineteen four, two twenty-one, add and canvas two twenty-three, insert shoes or; before gaiters, two thirty-five, omit note; strung frates two sixty-nine, seventy-one, seventy-two, make gross weight rates seventy-five one sixty two dollars; two seventy-seven rates twenty-five, forty; paragraph I, two eighty, rate two fifty; three-three rate, five cents; three hundred eight, twelve, seventeen, twenty-two, make changes recommended; three thirty-eight, first letter, rate seventy-five; three fifty-five rates thirteen, twenty-two, eleven; three fifty-six rates, six cents, twenty, and five; three sixty-three, last letter, rate thirty-five; three eighty-five, add or by insular government for its use or that of its subordinate branches; second fourteen, omit thirty-cent limitation; section seventeen, omit; section twenty, letter second, make litor publisher; page ninety-one, rice import duty, make two seventy-six; suggest revision repertory; see borax hyposulphite; print five thousand English, six thousand Spanish; bind two hundred each; should reach here November first; otherwise should take effect December first.

TAFT.

[Official business. War Department telegram. Translation.]

SEPTEMBER 23, 1901.

To TAFT, *Manila:*

Referring to your telegram of the 16th instant, tariff revisions forwarded meet our approval. Two hundred copies both Spanish and English by transport *Hancock* will leave San Francisco October 1. Is there any objection its immediate promulgation here?

EDWARDS.

[Translation of cablegram received War Department, September 25, 1901, 9.23 a. m.—Extract.]

MANILA, *September 25, 1901.*

SECRETARY OF WAR, *Washington:*

* * * * * * *

Promulgate tariff to-day; urge widest promulgation in United States and Europe immediately.

TAFT.

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
DIVISION OF INSULAR AFFAIRS,
Washington, D. C., September 23, 1901.

SIR: The Department is sending this day 200 copies of the English edition of the Philippine tariff, addressed to Governor William H. Taft, Manila, P. I., in your care. It is important that they go on the first transport and be delivered to Governor Taft as soon as they reach Manila.

On the 24th instant a like number of the Spanish edition will be forwarded in the same way, and they, too, should be delivered to him without delay, as the tariff is to take effect November 15, 1901.

Very respectfully,

CLARENCE R. EDWARDS,
Captain, Tenth United States Infantry,
Acting Assistant Adjutant-General.

Maj. OSCAR F. LONG,
Depot Quartermaster, San Francisco, Cal.

1415 G STREET, *Washington, October 28, 1901.*

Col. C. R. EDWARDS,
Insular Division, War Department, Washington, D. C.

MY DEAR COLONEL EDWARDS: Many thanks for the extra copies of the Philippine tariff which you so kindly sent me. I shall doubtless find them all very useful.

In this connection permit me to say just a word in personal appreciation of the work of the Insular Division, especially during the past year or so. The entire commercial community, with several branches of which I have been in tolerably close contact, has only praise for the excellent work of your Division, which has handled so many puzzling questions for the determination of which there have been no precedents, and has solved them to the very general satisfaction of all parties concerned.

The excellent work you have accomplished in handling the insular tariffs is especially appreciated, and the prompt and expeditious manner in which you revised the Philippine tariff, preparing a glossary

which is remarkably accurate and comprehensive, and translating the entire ducument into Spanish, has been frequently remarked upon by experienced exporters. This work should be a source of pride to you and to the Secretary of War as well, for it has been done without any blare of trumpets or beating of drums, and by a division which has been the growth of circumstances and conditions rather than of a definite plan based upon any foreknowledge of the problems that you have had to confront.

If there is any feature of your work that has been more fully appreciated than any other by business men in general, it has been the ease with which it has been possible at all times to obtain information, or to secure a hearing when it has seemed desirable to present representations in any particular behalf. It has been quite a novelty, in fact, to many doing business with Government bureaus, to be able to ascertain without delay just exactly the scope and character of your plans as they affect special interests, and the intelligent attention paid to written and oral representations has greatly strengthened the faith of the business community in the belief that the Administration means to do its best by all legitimate interests.

I doubt if you can appreciate even in your position how puzzling it has been to many important interests to attempt to secure information concerning the Government's plans as they affect the commercial relations of the United States toward the Philippines, and toward Cuba. Under some circumstances, the Department might have made great mystery of these relations, and thus no end of embarrassment, not to say financial loss, to important business enterprises would have resulted. This has not been your policy, but, on the contrary, any one having a legitimate interest in ascertaining any facts in your possession has been promptly and fully advised and has gone on his way rejoicing.

Taken as a whole, I think you may flatter yourself that the work of your division has demonstrated to a very high degree the fact that intelligent, educated army officers make the very best executive officials.

With kind regards, very truly, yours,

M. L. CROUSE.

○

END OF CASE